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 March 31, 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.)**

11975 El Camino Real, Suite 101, San Diego, CA 92130
(Address of principal executive offices) (Zip Code)

(858) 792-6300
(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 May 3, 2017, the number of shares outstanding of the issuer's common stock, $0.00000002 par value, was 36,772,428.

MEI PHARMA, INC.

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PART I FINANCIAL INFORMATION

Item 1: Financial Statements

MEI PHARMA, INC.
BALANCE SHEETS
(In thousands, except share and per share data)

	March 31, 2017 (unaudited)	June 30, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 11,644	$ 10,837
Short term investments	45,116	35,081
Total cash, cash equivalents and short-term investments	56,760	45,918
Prepaid expenses and other current assets	2,756	831
Total current assets	59,516	46,749
Intangible assets, net	340	366
Property and equipment, net	35	49
Total assets	$ 59,891	$ 47,164
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 242	$ 1,079
Accrued liabilities	3,711	4,433
Deferred revenues	1,036	—
Total current liabilities	4,989	5,512
Commitments and contingencies (Note 4)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 100,000 shares authorized; none outstanding	—	—
Common stock, $0.00000002 par value; 113,000,000 shares authorized; 36,772,428 and 34,155,997 shares issued and outstanding at March 31, 2017 and June 30, 2016, respectively	—	—
Additional paid-in-capital	224,890	218,653
Accumulated deficit	(169,988)	(177,001)
Total stockholders' equity	54,902	41,652
Total liabilities and stockholders' equity	$ 59,891	$ 47,164

See accompanying notes to the unaudited financial statements.

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2017	2016	2017	2016
Revenues:				
License revenue	$ 3,779	$ —	$ 20,880	$ —
Research and development revenue	726	—	1,920	—
Total revenues	4,505	—	22,800	—
Operating expenses:				
Cost of research and development revenue	(1,147)	—	(4,012)	—
Research and development	(1,876)	(3,420)	(5,164)	(9,418)
General and administrative	(2,152)	(1,990)	(6,802)	(5,765)
Total operating expenses	(5,175)	(5,410)	(15,978)	(15,183)
Income (loss) from operations	(670)	(5,410)	6,822	(15,183)
Other income (expense):				
Interest and dividend income	68	39	192	92
Income tax expense	—	—	(1)	(1)
Net income (loss)	$ (602)	$ (5,371)	$ 7,013	$ (15,092)
Earnings (loss) per share, basic	$ (0.02)	$ (0.16)	$ 0.19	$ (0.44)
Earnings (loss) per share, diluted	$ (0.02)	$ (0.16)	$ 0.19	$ (0.44)
Shares used in computing earnings (loss) per share:				
Basic	37,172,428	34,422,663	36,693,940	34,393,087
Diluted	37,172,428	34,422,663	36,760,754	34,393,087

See accompanying notes to the unaudited financial statements.

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

	Nine Months Ended March 31,	
	2017	2016
Cash flows from operating activities:		
Net income (loss)	$ 7,013	$(15,092)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Share-based compensation	2,025	2,207
Depreciation and amortization	42	45
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(1,925)	(600)
Accounts payable	(837)	(397)
Accrued liabilities	(722)	(537)
Deferred revenues	1,036	—
Net cash provided by (used in) operating activities	6,632	(14,374)
Cash flows from investing activities:		
Purchases of property and equipment	(2)	(3)
Purchases of short-term investments	(50,110)	(40,190)
Proceeds from maturity of short-term investments	40,075	50,136
Net cash (used in) provided by investing activities	(10,037)	9,943
Cash flows from financing activities:		
Net proceeds from issuance of common stock	4,212	—
Net cash provided by financing activities	4,212	—
Net increase (decrease) in cash and cash equivalents	807	(4,431)
Cash and cash equivalents at beginning of the period	10,837	18,722
Cash and cash equivalents at end of the period	$ 11,644	$ 14,291

See accompanying notes to the unaudited financial statements.

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

Note 1. The Company

MEI Pharma, Inc., or "the Company", is an oncology company focused on the clinical development of novel therapies for cancer. The Company's common stock is listed on the Nasdaq Capital Market under the symbol "MEIP".

The Company's business purpose is the development of drugs for the treatment of cancer. The Company's portfolio of drug candidates includes Pracinostat, an oral histone deacetylase ("HDAC") inhibitor being developed in combination with azacitidine for the treatment of patients with newly diagnosed acute myeloid leukemia ("AML") who are unfit for intensive chemotherapy, and patients with high and very high-risk myelodysplastic syndrome ("MDS"). In August 2016, the Company 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 ("Helsinn License Agreement"). The Company's clinical development portfolio also includes ME-401, an oral inhibitor of phosphatidylinositide 3-kinase ("PI3K") delta currently in a Phase Ib study in patients with relapsed/refractory chronic lymphocytic leukemia ("CLL") or follicular lymphoma, and ME-344, a mitochondrial inhibitor currently in an investigator-sponsored study in combination with bevacizumab for the treatment of human epidermal growth factor receptor 2 ("HER2")-negative breast cancer. The Company owns exclusive worldwide rights to ME-401 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. The Company has 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, 2016, included in the Company's Annual Report on Form 10-K ("2016 Annual Report") filed with the Securities and Exchange Commission ("SEC") on September 9, 2016. 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. The Company uses 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

The Company generates revenues from licensing technology rights and from the conduct of research and development activities. The Company recognizes revenue when all of the following criteria are met: (i) persuasive evidence of an arrangement exists; (ii) delivery has occurred or services have been rendered; (iii) the Company's price to the buyer is fixed or determinable; and (iv) collectability is reasonably assured.

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. The Company considers a variety of factors in determining the appropriate method of accounting under its license agreements, including whether the various elements can be separated and accounted for individually as separate units of accounting. 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 the Company's control.

Multiple Element Arrangements

The Company accounts 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. The Company determines the relative selling price of a separate deliverable using the price it charges other customers when it sells that element separately. If the element is not sold separately and third party pricing evidence is not available, the Company will use its best estimate of selling price.

License Fee Revenue

The Company defers 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 its performance under the other elements of the applicable arrangement. Non-refundable, up-front fees that are not contingent on any future performance by the Company and require no consequential continuing involvement on the Company's part are recognized as revenue when the license term commences and the licensed data, technology or product is delivered. 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. The Company defers recognition of research and development revenue until the performance of the related research and development activities has occurred.

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.

Income Taxes

Deferred income tax assets and liabilities are recognized for temporary differences between financial statements and income tax carrying values using tax rates in effect for the years such differences are expected to reverse. Due to uncertainties surrounding the Company's ability to generate future taxable income and consequently realize such deferred income tax assets, a full valuation allowance has been established. The Company continues to maintain a full valuation allowance against its deferred tax assets as of March 31, 2017. The Company has sufficient tax loss carryforwards to offset any potential current year taxable income, therefore no provision for income taxes was recorded during the current period.

The impact of an uncertain income tax position on the income tax return must be recognized at the largest amount that is more likely than not to be sustained upon audit by the relevant tax authority. An uncertain income tax position will be recognized when it is more likely than not of being sustained. There have been no material changes in the Company's unrecognized tax benefits since June 30, 2016, and, as such, the disclosures included in the Company's 2016 Annual Report on Form 10-K for the year ended June 30, 2016 continue to be relevant for the nine-month period ended March 31, 2017.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("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 the Company in its first quarter of fiscal 2019. Early adoption is permitted but not before the original effective date of the new standard of the first quarter of fiscal 2018. 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*. The Company is in the process of evaluating the transition method that will be elected and the impact of adoption on its financial statements.

In August 2014, the FASB issued ASU No. 2014-15, *Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern* ("ASU 2014-15"). The standard requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued and provides guidance on determining when and how to disclose going concern uncertainties in the financial statements. Certain disclosures will be required if conditions give rise to substantial doubt about an entity's ability to continue as a going concern. ASU 2014-15 applies to all entities and is effective for annual and interim reporting periods ending after December 15, 2016. The Company adopted this standard for the quarter ended December 31, 2016, and has applied the guidance in ASU 2014-15 to assess its ability to continue as a going concern. The Company has concluded that it does not have any issues related to its ability to continue as a going concern.

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. The Company is evaluating the impact that the adoption of this standard will have on its financial statements.

In March 2016, the FASB issued ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*, which simplifies several aspects of accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The new standard is effective for fiscal years beginning after December 15, 2016 and interim periods within those fiscal years with early adoption permitted. The Company is evaluating the impact that the adoption of this standard will have on its financial statements.

In June 2016, the FASB issued No. 2016-13, *Financial Instruments —Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Topic 326 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, Topic 326 eliminates the probable initial recognition threshold in current U.S. GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. For available for sale debt securities, credit losses should be measured in a manner similar to current U.S. GAAP, however Topic 326 will require that credit losses be presented as an allowance rather than as a write-down. ASU 2016-13 affects entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. This update is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company is currently evaluating the impact the adoption of this standard will have on its financial statements.

Note 2. Helsinn License Agreement

On August 5, 2016, the Company entered into the Helsinn License Agreement with Helsinn. Under the terms of the agreement, Helsinn has been 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, the Company received a $15.0 million upfront payment in August 2016 and an additional $5.0 million payment in March 2017. The Company will also receive reimbursement related to agreements entered into by MEI in anticipation of the upcoming Phase III study of Pracinostat by Helsinn as well as a Phase II study for Pracinostat in combination with azacitidine for the treatment of high and very high risk MDS, which will be conducted by MEI (the 'POC study'). The current expected external cost of the Phase II study will be shared equally by Helsinn and the Company. Enrollment in the Phase II study is anticipated to commence in the second quarter of calendar year 2017. The Company will be eligible to receive up to $444 million in potential regulatory and sales-based milestones, along with royalty payments on the net sales of Pracinostat.

The Company determined that the exclusive license, development and commercialization agreement represents a multiple-element arrangement for purposes of revenue recognition. The Company 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. The Company allocated the proceeds related to the agreement to the units of accounting using the relative selling price method. The Company determined the estimated selling price for the license using the assistance of a third-party valuation specialist, and the Company determined the estimated selling price for the research and development elements by using the prices charged by the respective third party vendors. Revenue of $3.8 million and $20.9 million, respectively, related to the license was recognized during the three and nine months ended March 31, 2017. Revenue 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 the Company is the primary obligor and has discretion in supplier selection.

Contemporaneously with the Helsinn License Agreement, the Company entered into a Common Stock Purchase Agreement (the "Helsinn Equity Agreement"), dated as of August 5, 2016, with Helsinn Investment Fund SA (the "Purchaser"). Pursuant to the terms of the Helsinn Equity Agreement, the Purchaser agreed to purchase and the Company agreed to issue a number of shares of the Company's common stock determined by dividing $5,000,000 by the volume weighted-average price for shares of the Company's

common stock for the 10-trading-day-period beginning on August 1, 2016 and ending on August 12, 2016 (the "VWAP"), rounded to the nearest whole share. The VWAP was $1.911 per share. Accordingly, on August 16, 2016, the Company issued 2,616,431 shares of common stock. The multiple-element arrangements guidance contains a presumption that separate contracts entered into at or near the same time with the same entity or related parties were negotiated together and should be evaluated as a single agreement. Therefore, the difference between the VWAP of $1.911 per share and the closing price of the Company's common stock on August 5, 2016 of $1.61 per share, totaling $0.8 million, has been allocated as additional consideration related to the revenue elements.

Note 3. Earnings (Loss) Per Share

Basic earnings (loss) 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 and nine months ended March 31, 2017 and 2016. Diluted earnings 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 earnings (loss) per share:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2017	2016	2017	2016
Weighted average shares outstanding	36,772,428	34,155,997	36,323,624	34,155,997
Effect of vested restricted stock units	400,000	266,666	370,316	237,090
Weighted average shares used in calculating basic earnings per share	37,172,428	34,422,663	36,693,940	34,393,087
Effect of potentially dilutive common shares from equity awards	—	—	66,814	—
Weighted average shares used in calculating diluted earnings per share	37,172,428	34,422,663	36,760,754	34,393,087
Potentially dilutive shares shares excluded from calculation due to anti-dilutive effect	8,069,528	6,694,158	7,583,217	6,554,186

Note 4. Commitments and Contingencies

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

As of March 31, 2017, the Company leases approximately 8,800 square feet of office space for the Company's executive and administrative offices. The monthly rental rate is approximately $29,000 during the remaining term of the lease, plus a pro-rata share of certain building expenses. The lease expires in June 2017. Total future minimum payments under the lease are $86,000 through June 30, 2017.

In April 2017, the Company entered into a lease agreement for approximately 13,700 square feet of office space at a monthly rental rate of approximately $44,000 per month during the term of the lease, commencing July 1, 2017 and expiring in May 2020.

Asset Purchase Agreement

In August 2012, the Company entered into a definitive asset purchase agreement with S*Bio Pte Ltd ("S*Bio"), pursuant to which the Company agreed to acquire certain assets comprised of intellectual property and technology including rights to Pracinostat, in exchange for $500,000 of common stock. In August 2012, the Company completed the asset purchase and issued 195,756 shares of common stock to S*Bio. The Company has also 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 payable in cash, plus $500,000 payable in cash or in shares of the Company's common stock, will be due upon the first dosing of a patient in a Phase III clinical trial or other pivotal trial, for any indication. Subsequent milestone payments will be due upon certain regulatory approvals and sales-based events. As of March 31, 2017, the Company has accrued $0.7 million for potential future payments.

CyDex License Agreement

In September 2012, the Company entered into a license agreement with CyDex Pharmaceuticals, Inc. ("CyDex"). Under the license agreement, CyDex granted to the Company an exclusive, nontransferable license to intellectual property rights relating to Captisol® for use with the Company's isoflavone-based drug compounds. The Company agreed to pay to CyDex a non-refundable license issuance fee, future milestone payments, and royalties at a low, single-digit percentage on future sales of the Company's approved drugs utilizing Captisol. Contemporaneously with the license agreement, the Company and CyDex entered into a commercial supply agreement pursuant to which the Company agreed to purchase 100% of its requirements for Captisol from CyDex. The Company may terminate both the license agreement and the supply agreement for convenience at any time upon 90 days' prior written notice. As of March 31, 2017, the Company has not accrued any amounts for potential future payments.

Note 5. Short-Term Investments

As of March 31, 2017 and June 30, 2016, the Company's short-term investments consisted of $45.1 million and $35.1 million, respectively, in U.S. government securities. The short-term investments held as of March 31, 2017 and June 30, 2016 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 March 31, 2017 and June 30, 2016, the gross holding gains and losses were immaterial.

Note 6. Stockholders' Equity

Equity Transactions

Shelf Registration Statement

In April 2014, the Company filed a shelf registration statement on Form S-3 with the SEC ("shelf registration statement"). The shelf registration statement was declared effective by the SEC in April 2014. The shelf registration statement permits the Company to sell, from time to time, up to $150.0 million of common stock, preferred stock and warrants. As of March 31, 2017, there is $104.0 million aggregate value of securities available under the shelf registration statement. The shelf registration expired in April 2017.

Helsinn Equity Investment

On August 5, 2016, the Company entered into the Helsinn Equity Agreement. Pursuant to the terms of the Helsinn Equity Agreement, the Company issued 2,616,431 shares of common stock on August 16, 2016. The transaction was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

Warrants

As of March 31, 2017, there were outstanding warrants to purchase 315,484 shares of the Company's common stock at an exercise price of $7.14 per share, which expire in May 2017, issued in conjunction with the Company's May 2012 rights offering, and warrants to purchase 3,230,202 shares of the Company's common stock at an exercise price of $3.12 per share, which expire in December 2017, issued in conjunction with its December 2012 private placement.

Note 7. Share-based Compensation

The Company uses equity-based compensation programs to provide long-term performance incentives for its 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 the Company's 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, the Company's 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 March 31, 2017, there were 5,065,940 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 March 31,		Nine Months Ended March 31,	
	2017	2016	2017	2016
Research and development	$ 213	$ 216	$ 695	$ 681
General and administrative	401	423	1,330	1,526
Total share-based compensation	$ 614	$ 639	$ 2,025	$ 2,207

Stock Options

Stock option activity for the nine months ended March 31, 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, 2016	2,827,172	$ 4.29		
Granted	1,527,083	1.37		
Forfeited / Cancelled	(33,333)	1.36		
Expired	(54,630)	9.15		
Outstanding at March 31, 2017	4,266,292	$ 3.21	6.7	$ 467,597
Vested and exercisable at March 31, 2017	2,017,037	$ 4.54	4.9	$ 81,367

The fair value of each stock option granted during the nine months ended March 31, 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 nine months ended March 31, 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 nine months ended March 31, 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 the Company's 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:

	Nine Months Ended March 31,	
	2017	2016
Risk-free interest rate	1.2%	1.7%
Expected life (years)	5.9	5.8
Expected volatility	108.2%	116.8%
Dividend yield	0.0%	0.0%
Weighted-average grant date fair value	$ 1.12	$ 1.35

As of March 31, 2017, there was $1.4 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 1.5 years.

Restricted Stock Units

In March 2013, the Compensation Committee of the Board of Directors granted 400,000 RSUs to the Company's Chief Executive Officer, Dr. Daniel P. Gold. Each RSU represents the contingent right to receive one share of the Company's 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 the Company for any reason, or (iii) a change in control involving the Company. 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, the Company granted 364,726 RSUs to employees. Each RSU represents the contingent right to receive one share of the Company's 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 363,014 unvested RSUs outstanding as of March 31, 2017.

As of March 31, 2017, unrecognized compensation expense related to the unvested portion of the Company's RSUs was approximately $0.4 million and is expected to be recognized over approximately 1.3 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 2016 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 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;
- the failure of any products to gain market acceptance;
- 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;
- technological changes;
- 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 2016 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 patients with newly diagnosed AML who are ³75 years of age or 18-74 years of age and 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 ME-344, a mitochondrial inhibitor that has shown evidence of clinical activity in refractory solid tumors. We own exclusive worldwide rights to ME-401 and ME-344.

Clinical Development Programs

HDAC Inhibitor Drug Candidate: Pracinostat

In August 2016, we announced that the FDA granted Breakthrough Therapy Designation for Pracinostat in combination with azacitidine for the treatment of patients with newly diagnosed AML who are unfit for intensive chemotherapy. In addition, agreement has been reached with the FDA on the proposed Phase III study design. 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.

In August 2016, we entered into an exclusive license, development and commercialization agreement with Helsinn, a Swiss pharmaceutical corporation, for Pracinostat in AML, MDS and other potential indications (“Helsinn License Agreement”). Under the terms of the agreement, Helsinn is 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 upfront payment in August 2016 and a $5.0 million payment in March 2017. In addition, we will be 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.

As part of the Helsinn License Agreement, we will work with Helsinn to determine an optimal dosing regimen of Pracinostat in combination with azacitidine for the treatment of high and very high-risk MDS. The cost of this study will be shared by Helsinn and us and enrollment is anticipated to commence in the second quarter of calendar year 2017.

PI3K Delta Drug Candidate: ME-401

In September 2013, we acquired exclusive worldwide rights to ME-401 from Pathway Therapeutics, Inc. for an undisclosed upfront cash payment with no future milestone or royalty obligations. Data from pre-clinical studies show ME-401 to be a potent and selective oral inhibitor of PI3K delta, a molecular target that plays a critical role in the proliferation and survival of certain hematologic cancer cells. PI3K delta is a class of drugs that has shown promise in the treatment of B-cell malignancies, but with particular toxicities. We believe this provides an opportunity for development of a next-generation oral drug that can produce therapeutic responses at a safe, effective dose. ME-401 has a distinct chemical structure from certain other PI3K delta inhibitors, including idelalisib (marketed as Zydelig®). Data presented at the ASH Annual Meeting in December 2012 demonstrated that ME-401 has superior pre-clinical activity compared to idelalisib.

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. In March 2016, the FDA approved our Investigational New Drug application for ME-401 in B-cell malignancies. A Phase Ib dose-escalation study of ME-401 in patients with relapsed/refractory CLL or follicular lymphoma opened for enrollment in September 2016. The goal of the study is to demonstrate an improved therapeutic window with repeated dosing in cancer patients. This study is now actively dosing patients and interim data are expected in June 2017.

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 new 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 new 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 HER2-negative breast cancer opened for enrollment in August 2016. This study is now actively dosing patients and interim data are expected in December 2017.

Results of Operations

Three Months Ended March 31, 2017 and 2016

We had a net loss of $0.6 million for the three months ended March 31, 2017 compared to a net loss of $5.4 million for the three months ended March 31, 2016.

License Revenue: We recognized license revenue of $3.8 million for the three months ended March 31, 2017 compared to no license revenue for the three months ended March 31, 2016. The license revenue resulted from receipt of a $5.0 million payment from Helsinn in March 2017.

Research and Development Revenue: We recognized research and development revenue of $0.7 million for the three months ended March 31, 2017 compared to no research and development revenue for the three months ended March 31, 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 which was signed in August 2016.

Cost of Research and Development Revenue: We recognized cost of research and development revenue of $1.1 million for the three months ended March 31, 2017 compared to no cost of research and development revenue for the three months ended March 31, 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.

***Research and Development*:** Research and development expenses consist primarily of clinical trial costs (including payments to contract research organizations), 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 decreased by $1.5 million to $1.9 million for the three months ended March 31, 2017 compared to $3.4 million for the three months ended March 31, 2016. The decrease was primarily due to a reduction in expenses related to Pracinostat pursuant to our license agreement with Helsinn, under which Helsinn will be primarily responsible for funding the development and commercialization of Pracinostat.

***General and Administrative*:** General and administrative expenses increased by $0.2 million to $2.2 million for the three months ended March 31, 2017 compared to $2.0 million for the three months ended March 31, 2016. The increase is primarily due to higher levels of professional services expenses associated with the Helsinn License Agreement.

Other income or expense: We received interest and dividend income of $68,000 for the three months ended March 31, 2017 compared to $39,000 for the three months ended March 31, 2016. The increase was due to higher investment balances and higher yields during the three months ended March 31, 2017 compared to the three months ended March 31, 2016.

Nine months Ended March 31, 2017 and 2016

We had net income of $7.0 million for the nine months ended March 31, 2017 compared to a net loss of $15.1 million for the nine months ended March 31, 2016.

License Revenue: We recognized license revenue of $20.9 million for the nine months ended March 31, 2017 compared to no license revenue for the nine months ended March 31, 2016. The license revenue resulted from the completion of the performance obligations related to the upfront license fees in accordance with the Helsinn License Agreement which was signed in August 2016.

Research and Development Revenue: We recognized research and development revenue of $1.9 million for the nine months ended March 31, 2017 compared to no research and development revenue for the nine months ended March 31, 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 which was signed in August 2016.

Cost of Research and Development Revenue: We recognized cost of research and development revenue of $4.0 million for the nine months ended March 31, 2017 compared to no cost of research and development revenue for the nine months ended March 31, 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.

***Research and Development*:** Research and development expenses consist primarily of clinical trial costs (including payments to contract research organizations), 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 decreased by $4.2 million to $5.2 million for the nine months ended March 31, 2017 compared to $9.4 million for the nine months ended March 31, 2016. The decrease was primarily due to a reduction in clinical trial costs associated with Pracinostat and with ME-344, including a reduction of clinical trial costs of $1.9 million due to revisions in estimates of amounts that are owed to contract research organizations for clinical trials for Pracinostat and ME-344 that are at or near completion. In addition, expenses related to Pracinostat decreased pursuant to our license agreement with Helsinn, under which Helsinn will be primarily responsible for funding the development and commercialization of Pracinostat.

***General and Administrative*:** General and administrative expenses increased by $1.0 million to $6.8 million for the nine months ended March 31, 2017 compared to $5.8 million for the nine months ended March 31, 2016. The increase is primarily due to professional services expenses associated with the Helsinn License Agreement during the nine months ended March 31, 2017.

Other income or expense: We received interest and dividend income of $192,000 for the nine months ended March 31, 2017 compared to $92,000 for the nine months ended March 31, 2016. The increase was due to higher yields during the nine months ended March 31, 2017 compared to the nine months ended March 31, 2016.

Liquidity and Capital Resources

We have accumulated losses of $170.0 million since inception and expect to incur operating losses and generate negative cash flows from operations for the foreseeable future. As of March 31, 2017, we had $56.8 million in cash, cash equivalents and short-term investments, which we believe will be sufficient to fund our operations through at least calendar year 2018. 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 provided by operations for the nine months ended March 31, 2017 was $6.6 million compared to $14.4 million used in operations for the nine months ended March 31, 2016. The increase in cash provided by operations is primarily due to the $20.0 million in upfront payments received as part of the Helsinn License Agreement.

Net cash used in investing activities for the nine months ended March 31, 2017 was $10.0 million compared to net cash provided by investing activities of $9.9 million in the nine months ended March 31, 2016. 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 nine months ended March 31, 2017 was $4.2 million, representing the equity investment made by Helsinn in a transaction related to the Helsinn License Agreement. There was no cash provided by financing activities during the nine months ended March 31, 2016.

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.

As of March 31, 2017, we lease approximately 8,800 square feet of office space at a monthly rental rate of approximately $29,000 per month during the term of the lease, through June 2017.

In April 2017, we entered into a lease agreement for approximately 13,700 square feet of office space at a monthly rental rate of approximately $44,000 per month during the term of the lease, commencing July 1, 2017 and expiring in May 2020.

CyDex License Agreement

In September 2012, the Company entered into a license agreement with CyDex. Under the license agreement, CyDex granted to the Company an exclusive, nontransferable license to intellectual property rights relating to Captisol® for use with the Company's isoflavone-based drug compounds. The Company 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 the Company's approved drugs utilizing Captisol. Contemporaneously with the license agreement, the Company and CyDex entered into a commercial supply agreement pursuant to which the Company agreed to purchase 100% of its requirements for Captisol from CyDex. The Company may terminate both the license agreement and the supply agreement for convenience at any time upon 90 days' prior written notice.

*S*Bio Asset Purchase*

In August 2012, we entered into a definitive asset purchase agreement with S*Bio, pursuant to which we agreed to acquire certain assets comprised of intellectual property and technology including rights to Pracinostat, in exchange for $500,000 of common stock. On August 22, 2012, we completed the asset purchase and issued 195,756 shares of common stock to S*Bio. We also 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 payable in cash, plus $500,000 payable in cash or in shares of the Company's common stock, will be due upon the first dosing of a patient in a Phase III clinical trial or other pivotal trial, for any indication. Subsequent milestone payments will be due upon certain regulatory approvals and sales-based events. As of March 31, 2017, the Company has accrued $0.7 million 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 2016 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 2016 Annual Report. There have been no changes in our significant accounting policies or critical accounting estimates since June 30, 2016, other than the adoption of revenue recognition policies as a result of the Helsinn License Agreement.

In August 2016, we entered into the Helsinn License Agreement. Under the terms of the agreement, Helsinn has been 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 a $15.0 million upfront payment in August 2016 and an additional $5.0 million payment in March 2017. We will also receive reimbursement related to agreements entered into by MEI in anticipation of the upcoming Phase III study of Pracinostat by Helsinn as well as a Phase II study for Pracinostat in combination with azacitidine for the treatment of high and very high risk MDS, which will be conducted by MEI. The current expected external cost of the Phase II study will be shared equally by Helsinn and us. Enrollment in the Phase II study is anticipated to commence in the second quarter of calendar year 2017. We will be eligible to receive up to $444 million in potential regulatory and sales-based milestones, along with royalty payments on the net sales of Pracinostat.

We have determined that the exclusive license, development and commercialization agreement represents a multiple-element arrangement for purposes of revenue recognition. The Company 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 the assistance of a third party valuation specialist, and we determined the estimated selling price for the research and development elements by using the prices charged by the respective third party vendors. Revenue of $22.8 million related to the license was recognized during the nine months ended March 31, 2017, pursuant to delivery of the technology and data transfer. Revenue 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 the Company is the primary obligor and has discretion in supplier selection.

Contemporaneously with the Helsinn License Agreement, we entered into a Common Stock Purchase Agreement (the "Helsinn Equity Agreement"), dated as of August 5, 2016, with Helsinn Investment Fund SA (the "Purchaser"). Pursuant to the terms of the Helsinn Equity Agreement, the Purchaser agreed to purchase and we agreed to issue a number of shares of our common stock determined by dividing $5,000,000 by the volume weighted-average price for shares of our common stock for the 10-trading-day—period beginning on August 1, 2016 and ending on August 12, 2016 (the "VWAP"), rounded to the nearest whole share. The VWAP was $1.911 per share. Accordingly, on August 16, 2016, we issued 2,616,431 shares of common stock. The multiple-element

arrangements guidance contains a presumption that separate contracts entered into at or near the same time with the same entity or related parties were negotiated together and should be evaluated as a single agreement. Therefore, the difference between the VWAP of $1.911 per share and the closing price of our common stock on August 5, 2016 of $1.61 per share, totaling $0.8 million, has been allocated as additional consideration related to the revenue elements.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("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 the Company in its first quarter of fiscal 2019. Early adoption is permitted but not before the original effective date of the new standard of the first quarter of fiscal 2018. 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 August 2014, the FASB issued ASU No. 2014-15, *Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern*. The standard requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued and provides guidance on determining when and how to disclose going concern uncertainties in the financial statements. Certain disclosures will be required if conditions give rise to substantial doubt about an entity's ability to continue as a going concern. ASU 2014-15 applies to all entities and is effective for annual and interim reporting periods ending after December 15, 2016. The Company adopted this standard for the quarter ended December 31, 2016, and has applied the guidance in ASU 2014-15 to assess its ability to continue as a going concern. We have concluded that we do not have any issues related to our ability to continue as a going concern.

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.

In March 2016, the FASB issued ASU 2016-09 *Improvements to Employee Share-Based Payment Accounting*, which simplifies several aspects of accounting for share-based payment transactions including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The new standard is effective for fiscal years beginning after December 15, 2016 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.

In June 2016, the FASB issued No. 2016-13, *Financial Instruments —Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. Topic 326 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, Topic 326 eliminates the probable initial recognition threshold in current U.S. GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. For available for sale debt securities, credit losses should be measured in a manner similar to current U.S. GAAP, however Topic 326 will require that credit losses be presented as an allowance rather than as a write-down. ASU 2016-13 affects entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. This update is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. We are currently evaluating the impact the adoption of this standard will have on our financial statements.

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 the Company 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

There have been no material changes in the Company's risk factors from those included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016.

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.

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Item 6: Exhibits

Exhibit Index

Exhibits	
3.1	Second Amended and Restated By-Laws of MEI Pharma, Inc. adopted as of March 17, 2016
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

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: May 3, 2017

Exhibit 3.1

SECOND AMENDED AND RESTATED
BY-LAWS OF MEI PHARMA, INC.
ADOPTED AS OF MARCH 17, 2016

ARTICLE I
OFFICES

SECTION 1. Registered Office. The registered office of the Corporation shall be located in Wilmington, Delaware.

SECTION 2. Other Offices. The Corporation may also have offices at such other places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDER

SECTION 1. Annual Meetings. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such date and time, within or without the State of Delaware, as the Board of Directors shall determine.

SECTION 2. Special Meeting. Special meetings of stockholders for the transaction of such business as may properly come before the meeting may be called by order of the Board of Directors, the Executive Committee or by stockholders holding together at least a majority of all the shares of the Corporation entitled to vote at the meeting, and shall be held at such date and time, within or without the State of Delaware as may be specified by such order.

SECTION 3. Notifications of Proposed Nominations and Other Business.

(a) Notice of Business. Proposed nominations for the election of directors, and proposals of other business, to be brought before any annual or special stockholders' meeting may be made by (i) the Board of Directors or a committee appointed by the Board of Directors for such purpose, or (ii) any stockholder of the Corporation who (1) was a stockholder of record of the Corporation (and, with respect to any beneficial owner, if different, on whose behalf such business is proposed, only if such beneficial owner was the beneficial owner of shares of the Corporation) both at the time of giving the written notice provided for in this Section 3 and at the time of the meeting; (2) is entitled to vote at the meeting; and (3) has complied with this Section 3 with respect to such proposal. Except for proposals properly made in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the "Exchange Act"), and included in the notice of meeting given by or at the direction of the Board of Directors, the foregoing clause (ii) shall be the exclusive means for a stockholder to propose business to be brought before an annual or special meeting of the stockholders. To be timely, a stockholder's notice must be received by the Secretary of the Corporation at the principal executive offices of the Corporation within the time set forth in paragraph (c) with respect to an annual meeting or in paragraph (d) with respect to a special meeting.

(b) Information in Notice. To be in proper form, a stockholder's written notice to the Secretary must set forth:

(i) as to each person whom the stockholder or beneficial owner, if any, proposes to nominate for election or re-election as a director, (1) the name, age, and address (business and residential) of the proposed nominee; (2) a complete biography and statement of the proposed nominee's qualifications; (3) the class and number of shares of the Corporation which are beneficially owned by the proposed nominee; (4) a description of all agreements, arrangements, understandings, and relationships between such stockholder or beneficial owner and the proposed nominee or between any of them and any other person or persons (including the names of such persons) in connection with the nomination to be made by the stockholder or beneficial owner; (5) information relevant to a determination of whether the proposed nominee can be considered an independent director of the Corporation;

(6) the proposed nominee's written consent to serve as a director of the Corporation if elected; (7) a completed and signed questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary of the Corporation upon written request); and (8) any other information (A) relating to the proposed nominee that would be required to be disclosed in a proxy or consent solicitation statement or any other filings required to be made in connection with a solicitation of proxies or consents for the election of the nominee as a director in a contested election pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a proxy or consent solicitation statement filed under Schedule 14A, or (B) that the Board of Directors may otherwise reasonably request;

(ii) if the notice relates to any business other than the nomination of a director or directors, (1) a brief description of the proposal desired to be brought before the meeting (including the text of any resolution proposed for consideration, and if such business includes proposed amendments to the Certificate of Incorporation or these By-Laws, the text of the proposed amendments); (2) the reasons for bringing the proposal before the meeting; (3) any interest in such proposal or the business to which it relates of the stockholder or beneficial owner, if any; and (4) a description of all agreements, arrangements, understandings, and relationships between such stockholder or beneficial owner and any other person or persons (including the names of such persons) in connection with the proposal; and

(iii) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or other business is proposed, (1) the name and address of such stockholder as it appears on the Corporation's books (or on the books of The Depositary Trust Company or a similar depositary in which the stockholder is a participant), and of such beneficial owner; (2)(A) the number of shares of each class of stock of the Corporation which are, directly or indirectly, owned of record or beneficially by such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner; (B) descriptions of all options, warrants, convertible securities, stock appreciation rights, and other contractual rights that entitle the holder to acquire shares of stock of the Corporation of any class, or that have a value derived in whole or in part from the value of any class of stock of the Corporation, whether or not such right or instrument shall be subject to settlement in the underlying shares of stock of the Corporation, in cash, or otherwise (each a "Derivative Instrument"), which are directly or indirectly owned by such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, and any other direct or indirect opportunity for such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, to profit or share in any profit derived from any increase or decrease in the value of shares of stock of the Corporation, rights, or Derivative Instruments ; (C) any proxy, agreement, arrangement, understanding, or relationship pursuant to which such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, has a right to vote any security of the Corporation; (D) any short interest in any securities of the Corporation, rights, or Derivative Instruments held by such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner (for purposes hereof, a person or entity shall be deemed to have a short interest in a security, right, or Derivative Instrument if such person or entity directly or indirectly, through any agreement, arrangement, understanding, or relationship, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security, right, or Derivative Instrument); (E) any rights held by such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, to receive dividends or distributions or other payments in lieu of dividends or distributions on shares of stock of the Corporation, rights, or Derivative Instruments that are separated or separable from the underlying shares of stock of the Corporation, rights, or Derivative Instruments; (F) any proportionate interest in shares of stock of the Corporation, rights, or Derivative Instruments held by such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, or held by a partnership or other entity in which such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, is a partner or has another form of equity ownership; and (G) any performance-related fees (other than an asset-based fee) that such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, is or may be entitled to based on any increase or decrease in the value of shares of stock of the Corporation, rights, or Derivative Instruments; (3) any other information relating to such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, that would be required to be disclosed in a proxy or consent solicitation statement or other filings required to be made in connection with solicitations of proxies or consents for the proposal pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a proxy or consent solicitation statement filed under Schedule 14A, or that the Board of Directors may otherwise reasonably request; (4) a representation that the stockholder is a holder of

record of stock of the Corporation entitled to vote at such meeting on the matter proposed and that the stockholder, or the beneficial owner, if any, intends to appear in person or by proxy or other representative at such meeting to propose such nomination or other business; and (5) if such stockholder or beneficial owner, or any affiliate or associate of such stockholder or beneficial owner, or any person acting in concert with such stockholder or beneficial owner or with any affiliate or associate of such stockholder or beneficial owner, intends to solicit proxies or consents in support of such stockholder's or beneficial owner's proposal, a statement to that effect.

For the purposes of this Section 3, (x) a stockholder will be deemed to be the holder of record of any shares of stock of the Corporation that are held for the stockholder's account by The Depositary Trust Company or a similar depositary in which the stockholder is a participant; (y) if a stockholder of record proposes a nomination or other business on behalf of a beneficial owner of stock of the Corporation and the information described in Section 3(b)(iii) is provided about such beneficial owner, the stockholder does not have to provide the information about itself unless otherwise required by this Section 3; and (z) any information that such stockholder or a beneficial owner is required to provide about stock, rights, and Derivative Instruments held by the stockholder or beneficial owner must include information about stock, rights, and Derivative Instruments held by any person or entity with whom the stockholder or beneficial owner, or any affiliate or associate of the stockholder or beneficial owner, is acting in concert, or by the affiliates and associates of such persons or entities acting in concert with the stockholder or beneficial owner, or with any affiliate or associate of the stockholder or beneficial owner.

(c) Annual Meetings. For nominations or any other business that is a proper matter for stockholder action to be brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation at the principal executive offices of the Corporation containing the information required by this Section 3. To be timely, the stockholder's notice must be received by the Secretary of the Corporation not later than the ninetieth (90th) day, nor earlier than the one hundred twentieth (120th) day , prior to the first anniversary of the preceding year's annual meeting (provided, however, that, in the event that no annual meeting was held in the previous year or the date of the current year's annual meeting is more than thirty (30) days before or more than sixty (60) days after the anniversary date of the previous year's annual meeting, the notice by the stockholder must be received by the Secretary at the principal executive offices of the Corporation not earlier than the one hundred twentieth (120th) day prior to the current year's annual meeting and not later than the later of the ninetieth (90th) day prior to the current year's annual meeting and the tenth (10th) day following the date on which public announcement of the date of such annual meeting is first made). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notwithstanding anything in the second sentence of this paragraph (c) to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least ninety (90) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 3 shall be considered timely, but only with respect to nominees for the new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the tenth (10th) day following the day on which the increase in the number of directors to be elected is first announced to the public by the Corporation.

(d) Special Meetings. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Directors may be elected at a special meeting of stockholders only in accordance with a determination of the Board of Directors that directors are to be elected at the special meeting. If the Board of Directors determines that directors are to be elected at a special meeting, nominations of persons for election as directors at that special meeting may be made (i) by the Board of Directors or (ii) by a stockholder who has given timely notice thereof in writing to the Secretary pursuant to this Section 3. This shall be the exclusive means for a stockholder to make nominations with regard to a special meeting of stockholders at which directors are to be elected. To be timely, a stockholder's notice must be received by the Secretary at the principal executive offices of the Corporation not earlier than the one hundred twentieth (120th) day prior to such special meeting and not later than the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting is first made. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(e) Updated Information. A stockholder providing notice of a proposed nomination or other business to be brought before an annual or special meeting shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3 shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting (in the case of the update and supplement required to be made as of the record date), and not later than eight (8) business days prior to the date for the meeting or any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof).

(f) Public Announcement. For purposes of this Section 3, a public announcement shall mean disclosure in a press release reported by Business Wire, the Dow Jones News Service, Associated Press, or comparable national news service or in a document filed by the Corporation with, or furnished by the Corporation to, the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(g) “Affiliate” and “Associate”; “Acting in Concert.” For purposes of this Section 3, the terms “affiliate” and “associate” of a person shall having the meanings ascribed to those terms in Rule 12b-2 under the Exchange Act. For purposes of this Section 3, a person shall be deemed to be “acting in concert” with another person if such person knowingly acts (whether or not pursuant to an express agreement, arrangement, understanding, or relationship) in concert with, or towards a common goal relating to the management, governance, or control of the Corporation in parallel with, such other person where (i) each person is conscious of the other person’s conduct or intent and this awareness is an element in their decision-making processes and (ii) at least one additional factor suggests that such persons intend to act in concert or in parallel, which such additional factors may include, without limitation, exchanging information (whether publicly or privately), attending meetings or conducting discussions (whether as stockholders, directors, or otherwise), or making or soliciting proxies or other invitations to act in concert or in parallel; provided, however, that a nominee shall always be deemed to be acting in concert with the stockholder (and beneficial owner, if any) that proposed the nominee; and provided further, that a person shall not be deemed to be acting in concert with any other person solely as a result of the solicitation or receipt of revocable proxies or consents from such other person in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Exchange Act by way of a proxy or consent solicitation statement filed under Schedule 14A. A person “acting in concert” with another person shall be deemed to be “acting in concert” with any affiliate or associate of such other person and with any third party (and any of its affiliates and associates) who is also acting in concert with such other person.

(h) Exchange Act Compliance. Notwithstanding the foregoing provisions of this Section 3, the stockholder and beneficial owner, if any, shall also comply with all applicable requirements of the Exchange Act with respect to the matters set forth in this Section 3. Nothing in this Section 3 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(i) General. Only persons who are nominated in accordance with this Section 3 shall be eligible to be elected at a stockholders’ meeting to serve as directors and only such other business shall be conducted at a stockholders’ meeting as shall have been brought before the meeting in accordance with this Section 3. Except as otherwise provided by law, the Certificate of Incorporation or these By-Laws, the chairman of any annual or special meeting, as applicable, shall have the power to determine whether a nomination or a business proposal was made in accordance with this Section 3, and therefore can be voted upon at the meeting, and any determination by the chairman will be binding both upon the Corporation and upon the stockholder and beneficial owner, if any, who made the proposal. Unless otherwise required by law, if the stockholder or the beneficial owner, if any, proposing a nomination or other business (or a representative thereof) does not appear at the meeting or any adjournment or postponement thereof to present the nomination or other proposed business, such nomination shall be disregarded and such other proposal shall not be considered. Any nomination or other proposed business that is not in compliance with this Section 3 shall not be a proper subject for action at the meeting or any adjournment or postponement thereof, notwithstanding that proxies in respect of such nomination or other proposal may have been received by the Corporation.

SECTION 4. Notice. Written notice of all meetings of stockholders shall be given to each stockholder of record who is entitled to vote at such meetings, stating the place, date, and time of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Each notice of meeting must also include a proxy form and specify a place and fax number or electronic address for the receipt of proxy appointments. Except as otherwise provided by law, a copy of the notice of any meeting shall be given, personally or by mail, or if the stockholder resides outside of the United States, by airmail, fax or other electronic means, not less than ten days nor more than sixty days before the date of the meeting, and directed to each stockholder of record at his record address. Notice by mail shall be deemed to be given when deposited, with postage thereon prepaid, in the United States mails. Notice given by facsimile telecommunication shall be deemed given when directed to a number at which the stockholder has consented to receive notice. Notice by electronic mail shall be deemed given when directed to an electronic mail address at which the stockholder has consented to receive notice. Notice given by a posting on an electronic network together with separate notice to the stockholders of such specific posting will be deemed given upon the later of (i) such posting and (ii) the giving of such separate notice. Notice given by any other form of electronic transmission will be deemed given when directed to a stockholder. If a meeting is adjourned to another time, not more than thirty days thereafter, and/or to another place, and if an announcement of the adjourned time and/or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless, after adjournment, the new record date is fixed for the adjourned meeting.

SECTION 5. Stockholder List. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each Stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city or other municipality or community where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place where the meeting is to be held and during the whole time of the meeting, and may be inspected by any stockholder who is present.

SECTION 6. Proxy Representation. Every stockholder may authorize another person or persons to act for him by proxy in all matters in which a stockholder is entitled to participate, whether by waiving notice of any meeting, voting or participating at a meeting, or expressing consent or dissent without a meeting. An appointment of a proxy is valid if it is signed by the stockholder granting such proxy or by his attorney-in-fact and contains the stockholder’s name and address, the name of the Corporation, the proxy’s name or the name of the office held by the proxy and the meetings at which the proxy may be used, or is in any other form that is satisfactory to the Board of Directors. No proxy shall be voted or acted upon after three years from its date unless such proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power.

SECTION 7. Quorum; Adjournments. Except as otherwise provided by law, a quorum for the transaction of business at any meeting of stockholders shall consist of the stockholders holding at least one-third of the shares of the capital stock of the Corporation, issued and outstanding, entitled to vote at the meeting. In the absence of a quorum at any meeting or any adjournment thereof, the holders of record of a majority of the shares present in person or by proxy and entitled to vote at such meeting may adjourn such meeting from time to time. At any such adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the meeting as originally called.

SECTION 8. Conduct of Meeting. Meetings of stockholders shall be presided over by the Chairman of the Board, the Chief Executive Officer, the President, a Vice President, or, if none of the foregoing is present, by a chairman to be chosen by the stockholders entitled to vote who are present in person or by proxy at the meeting. The Secretary of the Corporation shall act as secretary of every meeting, but if the Secretary is not present, the presiding officer of the meeting shall appoint any person present to act as secretary of the meeting.

SECTION 9. Voting. At each meeting of stockholders, each stockholder entitled to vote any shares on any matter to be voted upon at such meeting shall be entitled to one vote on such matter for each such share. In the election of directors, a plurality of the votes cast shall elect each director. Any other action shall be authorized by a majority of the votes cast except as otherwise provided by law. Voting by ballot shall not be required for the election of directors or any other corporate action, except as otherwise provided by law.

SECTION 10. Written Consent of Shareholders Without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having no less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

ARTICLE III
DIRECTORS

SECTION 1. Functions and Definition. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors. The use of the Phrase “whole Board” herein refers to the total number of directors which the Corporation would have if there were no vacancies.

SECTION 2. Qualifications and Number. A director need not be a stockholder, a citizen of the United States, or a resident of the State of Delaware. The number of directors constituting the whole Board may be fixed from time to time by action of the Board of Directors, and until so fixed, shall be seven.

SECTION 3. Term. The Directors shall, except as hereinafter otherwise provided for filling vacancies, be elected at the annual meeting of stockholders or any special meeting called for such purpose, and shall hold office until their respective successors are elected and qualified or until their earlier death, resignation or removal.

SECTION 4. Annual Meeting. Following each annual election of directors, the newly elected Board shall meet for the purpose of the election of officers and the transaction of such other business as may properly come before the meeting.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors shall from time to time by resolution determine.

SECTION 6. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the direction of the Chairman of the Board, President or by a majority of the directors then in office.

SECTION 7. Place. Meetings of the Board of Directors may be held at any place within or without the State of Delaware.

SECTION 8. Notice. A notice of the place, date and time and the purpose or purposes of each meeting of the Board of Directors shall be given to each director by mailing the same at least two days before the meeting, or by telegraphing, telexing or telephoning the same or by delivering the same personally not later than the day before the meeting, at the residence address of each director or at his usual place of business.

SECTION 9. Quorum. Except as otherwise provided by law, a majority of the whole Board shall constitute a quorum. A majority of the directors present, whether or not a quorum present, may adjourn a meeting from time to time to another time and place without notice. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 10. Organization. At all meetings of the Board of Directors, the Chairman of the Board, or in his absence the Chief Executive Officer, the President or a chairman chosen by the Directors, shall preside. The Secretary of the Corporation shall act as secretary at all meetings of the Board of Directors when present, and, in his absence, the presiding officer may appoint any person to act as secretary.

SECTION 11. The Chairman of the Board. The Chairman of the Board shall be elected from the directors who comprise the Board of Directors. The Chairman of the Board shall preside at all meetings of the stockholders and at all meetings of the Board of Directors and shall have such other powers and perform such other duties as may from time to time be assigned by these By-Laws or by the Board of Directors. Subject to compliance with applicable laws, rules or regulations, including the NASDAQ Listing Rules, the Chairman of the Board shall have the right to be a member of each committee of the Board, including the Executive Committee.

SECTION 12. Resignation and Removal of Directors. Any director may resign at any time, and such resignation shall take effect upon receipt thereof by the President or Secretary, unless otherwise specified in the resignation. Any or all of the directors may be removed, with or without cause, by the holders of a majority of the shares of stock outstanding and entitled to vote for the election of directors.

SECTION 13. Vacancies. Unless otherwise provided in the Certificate of Incorporation or in these By-Laws, vacancies among the directors, whether caused by resignation, death, disqualification, removal, an increase in the authorized number of directors or otherwise, may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

SECTION 14. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or a committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

SECTION 15. Telephone, etc. Meetings. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

ARTICLE IV
COMMITTEES

SECTION 1. Executive Committee. The Board of Directors, by a resolution passed by a vote of a majority of the whole Board may appoint an Executive Committee of two or more directors which, except as otherwise provided by the Board of Directors, shall have and exercise all the powers of the Board of Directors in the management of the property, business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, that the Executive Committee shall not have any power or authority to declare dividends, issue stock, recommend to the stockholders any action requiring their approval, change the membership of any committee at any time, fill vacancies on the Board or on any committee thereof, discharge any committee either with or without cause at any time, elect officers or amend or repeal the By-Laws of the Corporation. The Board of Directors shall appoint the Chairman of the Executive Committee and may designate one or more directors as alternate members of the Executive Committee, who may replace any absent or disqualified member at any meeting of the Executive Committee. Vacancies on the Executive Committee shall be filled by the Board of Directors in the same manner as original appointment to such Committee.

SECTION 2. Other Committees. From time to time the Board of Directors by a resolution adopted by a majority of the whole Board may appoint any other committee or committees for any purpose or purposes, to the extent lawful, which shall have such powers and shall be determined and specified by the Board of Directors in the resolution of appointment.

SECTION 3. Procedures Applicable to All Committees. Each committee shall fix its own rules of procedure, and shall meet where and as provided by such rules or by resolution of the Board of Directors. The presence of a majority of the then appointed members of a committee shall constitute a quorum for the transaction of business by that committee, and in every case where a quorum is present the affirmative vote of a majority of the members of the committee present shall be the act of the committee. Each committee shall keep minutes of its proceedings, and any action taken by a committee shall be reported to the Board of Directors at its meeting next succeeding such action.

SECTION 4. Termination of Committee Membership. In the event any person shall cease to be a director of the Corporation, such person shall simultaneously therewith cease to be a member of any committee appointed by the Board of Directors.

ARTICLE V
OFFICERS.

SECTION 1. Executive Officers. The executive officers of the Corporation may include a Chief Executive Officer, a President, one or more Vice Presidents, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors. Unless otherwise provided in the resolution of election, each officer shall hold office until the next annual election of directors or until his earlier resignation or removal. Any two of such offices may be held by the same person.

SECTION 2. Other Officers. The Board of Directors may appoint such other officers and agents as it may deem necessary or advisable, for such term as the Board of Directors shall fix in such appointment, who shall have such authority and perform such duties as may from time to time be prescribed by the Board.

SECTION 3. Resignation and Removal. Any officer may resign at any time, and such resignation shall take effect upon receipt thereof by the President or Secretary, unless otherwise specified in the resignation. All officers, agents and employees of the Corporation shall be subject to removal, with or without cause, at any time by the affirmative vote of a majority of the whole Board. The power to remove agents and employees, other than officers or agents elected or appointed by the Board of Directors, may be delegated as the Board of Directors shall determine.

SECTION 4. Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation, have general charge and control of all the Corporation’s business and affairs and, subject to the control of the Board of Directors, shall have all powers and shall perform all duties incident to the office of Chief Executive Officer. In the absence of the Chairman of the Board, the Chief Executive Officer shall preside at all meetings of the stockholders and at all meetings of the Board of Directors. In addition, the Chief Executive Officer shall have such other powers and perform such other duties as may from time to time be assigned by these By-Laws or by the Board of Directors.

SECTION 5. President. The President shall, subject to the control of the Board of Directors, have all powers and shall perform all duties incident to the office of President. In the absence of the Chairman of the Board and the Chief Executive Officer, the President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors. In the absence of the Chief Executive Officer, the President shall be the chief executive officer of the Corporation, have general charge and control of all the Corporation’s business and affairs and shall have such other powers and perform such other duties as may from time to time be assigned by these By-Laws or by the Board of Directors.

SECTION 6. Vice Presidents. A Vice President shall perform such duties and shall have such authority as from time to time may be assigned to him by the Board of Directors or the President.

SECTION 7. The Treasurer. Subject to the direction of the Board of Directors, the Treasurer shall have the general care and custody of all the funds and securities of the Corporation which may come into his hands and shall deposit the same to the credit of the Corporation in such bank or banks or depositaries as from time to time may be designated by the Board of Directors, and shall pay out and dispose of the same under the direction of the Board of Directors. The Treasurer shall in general perform all duties incident to the position of Treasurer and such other duties as may be assigned to him by the Board of Directors or the President.

SECTION 8. The Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the minutes of all meetings of the stockholders and also, unless otherwise directed by such committee, the minutes of each committee, in books provided for that purpose, of which he shall be the custodian; he shall attend to the giving and serving of all notices for the Corporation; he shall have charge of the seal of the Corporation, of the

stock certificate books and such other books and papers as the Board of Directors may direct; and he shall in general perform all the duties incident to the office of Secretary and such other duties as may be assigned to him by the Board of Directors or the President.

SECTION 9. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors, and none of such officers shall be prevented from receiving a salary by reason of the fact that he is also a director of the Corporation.

ARTICLE VI
STOCK

SECTION 1. Stock Certificates. The shares of stock of the Corporation shall be represented by certificates, or shall be uncertificated. Certificates for the shares of stock of the Corporation, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock represented by certificate in the Corporation shall be entitled to have a certificate signed by or in the name of the Corporation by the Chief Executive Officer, the President or a Vice President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by him in the Corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

All certificates for shares of stock shall be consecutively numbered as the same are issued. The name of the person owning the Shares represented thereby with the number of such shares and the date of issue thereof shall be entered on the books of the Corporation.

Except as hereinafter provided, all certificates surrendered to the Corporation for transfer shall be canceled, and no new certificates shall be issued until former certificates for the same number of shares have been surrendered and canceled.

SECTION 2. Lost, Stolen or Destroyed Certificates. Whenever a person owning a certificate for shares of stock of the Corporation alleges that it has been lost, stolen or destroyed, he or she shall file in the office of the Corporation an affidavit setting forth, to the best of his or her knowledge and belief, the time, place and circumstances of the loss, theft or destruction, and, if required by the Corporation, a bond of indemnity or other indemnification sufficient, in the opinion of the Corporation, to indemnify the Corporation and its agents against any claim that may be made against it or them on account of the alleged loss, theft or destruction of any such certificate or the issuance of a new certificate in replacement therefor. Thereupon the Corporation may cause to be issued to such person a new certificate in replacement for the certificate alleged to have been lost, stolen or destroyed. Upon the stub of every new certificate so issued shall be noted the fact of such issue and the number, date and the name of the registered owner of the lost, stolen or destroyed certificate in lieu of which the new certificate is issued.

SECTION 3. Transfer of Shares.

(a) Transfers of record of shares of stock of the Corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized in writing, and, in the case of stock represented by certificate, upon the surrender of a properly endorsed certificate or certificates for a like number of shares, except as provided in Sections 2 and 3(b) of this Article VI.

(b) The Board of Directors must not register a transfer of shares that has not been registered pursuant to an effective registration statement under the Securities Act except in accordance with the provisions of Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

SECTION 4. Regulations. The Board of Directors shall have power and authority to make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 5. Dividends. Subject to the provisions of the Certificate of Incorporation, the Board of Directors shall have power to declare and pay dividends upon shares of stock of the Corporation, but only out of funds available for the payment of dividends as provided by law.

SECTION 6. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting or to receive payment of any dividend or other distribution or allotment of any rights, or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, as the case may be, the Board of Directors may fix, in advance, a record date, which shall not be (i) more than sixty (60) nor less than ten (10) days before the date of such meeting, or (ii) in the case of corporate action to be taken by consent in writing without a meeting, not more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors, or (iii) more than sixty (60) days prior to any other action.

If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and the record date for determining stockholders for any other purpose (except corporate action to be taken by consent in writing) shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

If a holder of record of any class of stock of the Corporation, or a series thereof, the holders of which may act by a consent in writing, wishes to have those stockholders authorize or take corporate action by written consent, such stockholder shall, by written notice to the Secretary of the Corporation, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date is fixed by the Board within such ten (10) day period, the record date for determining stockholders entitled to consent to corporate action, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed consent setting forth the action taken or proposed to be taken is delivered to the Corporation at its registered office in the state of Delaware or to its principal place of business to the attention of the Secretary of the Corporation. Delivery made to the registered office of the Corporation for this purpose shall be by hand or by certified or registered mail with return receipt requested. If no record date is so fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

ARTICLE VII
WAIVER OF NOTICE

Any person may waive any notice required to be given by law, in the Certificate of Incorporation or under these By-Laws (i) by attendance in person, or by proxy if a stockholder, at any meeting, except when such person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or (ii) by a writing signed by the person or persons entitled to said notice whether before or after the time stated in said notice, which waiver shall be deemed equivalent to such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

ARTICLE VIII
CONTRACTS

The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation, to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

ARTICLE IX
CORPORATE SEAL

The seal of the Corporation shall be circular in form and contain the name of the Corporation and the words and numerals “Corporate Seal 2000 Delaware,” which seal shall be and remain in the charge of the Secretary, to be used as directed by the Board of Directors.

ARTICLE X
FISCAL YEAR

The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors. Unless otherwise fixed by the Board of Directors, the fiscal year of the Corporation shall end on June 30 of each calendar year.

ARTICLE XI
INDEMNIFICATION

SECTION 1. Who May Be Indemnified

(a) Actions, Suits and Proceedings Other Than by or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceedings, had reasonable cause to believe that his conduct was unlawful.

(b) Actions or Suits By or in the Right of the Corporation. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys’ fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) Indemnification for Expenses. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraph (a) or (b), or in defense of any claim, issue or matter therein, he shall be indemnified against expenses including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Determination of Entitlement to Indemnification. Any indemnification under paragraph (a) or (b) (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraph (a) or (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Advance of Expenses. Expenses incurred by an officer or director in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of much director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

(f) Indemnification by Stockholders. Certain directors are serving on the Board of Directors at the request of certain stockholders and have certain rights to indemnification, advancement of expenses and/or insurance provided by such stockholders or their respective affiliates (collectively, the "Stockholder Indemnitors"). The Company shall be the indemnitor of first resort (i.e., its obligations to such directors are primary and any obligation of the Stockholder Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such directors are secondary). The Company shall advance the full amount of expenses incurred by such directors and shall be liable for the full amount of all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred to the extent legally permitted and as required hereunder, without regard to any rights such director may have against the Stockholder Indemnitors. No advancement or payment by the Stockholder Indemnitors on behalf of such directors with respect to any claim for which such director has sought indemnification from the Company shall affect the foregoing and the Stockholder Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such directors against the Company.

(g) Subrogation. In the event of payment of indemnification to a person pursuant to this Article XI, the Corporation shall be subrogated to the extent of such payment to any right of recovery such person may have by reason of the fact that he is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise and such person, as a condition of receiving indemnification from the Corporation, shall execute all documents and do all things that the Corporation may deem necessary or desirable to perfect such right of recovery, including the execution of such documents necessary to enable the Corporation effectively to enforce such recovery (it being understood, for the avoidance of doubt, that the foregoing shall not apply with respect to any advancement or payment for indemnification received from a Stockholder Indemnitor).

(h) Duplication of Payments. Except as provided in paragraph (f) above, the Corporation's obligation, if any, to indemnify or to advance expenses to any officer, director, employee or other agent pursuant to this Article XI shall be reduced by any amount such officer, director, employee or other agent has actually received as indemnification or advancement of expenses under any indemnification obligation of any other entity, insurance policy, agreement or otherwise.

SECTION 2. Indemnification Not Exclusive Right. The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification and advancement of expenses may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

SECTION 3. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

SECTION 4. "Corporation" Defined for Indemnification Purposes. For purposes of this Article, references to "the Corporation" shall include (in addition to the Corporation and any resulting corporation) any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if the separate existence had continued.

SECTION 5. Any repeal or modification of the foregoing provisions of this ARTICLE XI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification. The rights provided hereunder shall inure to the benefit of any person entitled to indemnification or advancement of expenses under this ARTICLE XI and such person's heirs, executors and administrators.

ARTICLE XII
FORUM SELECTION

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware or, if the Court of Chancery does not have jurisdiction, another state court located within the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware, in all cases subject to the court having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to (A) the provisions of this ARTICLE XII, (B) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any court located outside of the State of Delaware to enforce this ARTICLE XII (a "Foreign Action") and (C) having service of process made upon such person or entity in any such Foreign Action by service upon such person or entity's counsel in the Foreign Action as agent for such person or entity.

ARTICLE XIII
AMENDMENTS

The Board of Directors shall have power to adopt, amend or repeal By-Laws. By-Laws adopted by the Board of Directors may be amended or repealed by the stockholders.

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: May 3, 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. The Company'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: May 3, 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 March 31, 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: May 3, 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)