

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): April 1, 2014

Commission File Number: 000-54014

VistaGen Therapeutics, Inc.

(Exact name of small business issuer as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

20-5093315

(IRS Employer Identification No.)

343 Allerton Avenue, South San Francisco, California 94080

(Address of principal executive offices)

650-577-3600

(Registrant's Telephone number)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.

On April 1, 2014, VistaGen Therapeutics, Inc. (the “*Company*”) accepted a subscription agreement (the “*Agreement*”) from Platinum Long Term Growth Fund VII, its largest institutional investor (“*Platinum*”), to purchase units for an aggregate purchase price of \$250,000. The Company also has accepted a commitment from Platinum to purchase an additional \$500,000 of units over the course of two closings, each conditioned upon the Company’s attainment of certain milestones. In the aggregate, the \$250,000 of units purchased by Platinum consist of: (i) a subordinate convertible promissory bridge note (“*Note*”) in the principal amount of \$250,000; (ii) 250,000 unregistered shares of the Company’s common stock; and (iii) a warrant to purchase 250,000 unregistered shares of the Company’s common stock for \$0.50 per share (“*Warrants*”) through December 31, 2016. The Note bears interest at a rate of 10% per annum and matures on the earlier of March 31, 2015, or the consummation of either an equity-based public offering registered with the United States Securities and Exchange Commission or an equity-based private financing, in either case resulting in gross proceeds to the Company of at least \$10.0 million. The Company has also accepted a subscription agreement from an existing individual accredited investor to purchase units for an aggregate purchase price of \$50,000. In the aggregate, the \$50,000 of units purchased by such investor consist of: (i) a Note in the principal amount of \$50,000; (ii) 50,000 unregistered shares of the Company’s common stock; and (iii) Warrants to purchase 50,000 unregistered shares of the Company’s common stock. The Company currently anticipates issuing additional units aggregating up to \$1.20 million (the “*Unit Offering*”).

Item 3.02 Unregistered Sales of Equity Securities.

See Item 2.03.

The Company offered and sold the units in private placement transactions exempt from registration under the Securities Act of 1933, as amended, in reliance on Section 4(2) thereof and Rule 506 of Regulation D thereunder. The investors represented that they are “accredited investors” as defined in Regulation D. The proceeds from the sale of the units, and the proceeds to be received upon exercise of the Warrants, are expected to be used for general corporate purposes.

Item 7.01 Regulation FD Disclosure

On April 8, 2013, the Company entered into a Securities Purchase Agreement (as amended, the “*Securities Purchase Agreement*”) with Autilion AG (“*Autilion*”). Under the terms of the Securities Purchase Agreement, Autilion remains contractually obligated to purchase an aggregate of 72.0 million restricted shares of the Company’s common stock at a purchase price of \$0.50 per share for aggregate cash consideration of \$36.0 million (the “*Autilion Financing*”). As reported in the Company’s Quarterly Report on Form 10-Q filed on February 14, 2014, Autilion is in default under the Securities Purchase Agreement. Although Autilion has recently informed the Company that it intends to consummate the Autilion Financing in full in the near term, no assurances can be provided that the Autilion Financing will close in the near term or at all. While reserving its rights under the Securities Purchase Agreement, the Company may proceed with financing alternatives in addition to, or in lieu of, the Autilion Financing, including, but not limited to, the Unit Offering.

Item 8.01 Other Events

See Item 2.03.

Item 9.01 Financial Statements and Exhibits.

See Exhibit Index.

Disclaimer.

The descriptions of the Agreement, Note and Warrant do not purport to be complete, and are qualified in their entirety by reference to the full text of the Agreement, Note and Warrant, attached hereto Exhibits 10.1, 10.2 and 10.3, respectively, and are incorporated herein by reference.

SIGNATURES

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

VistaGen Therapeutics, Inc.

Date: *April 8, 2014*

By: /s/ Shawn K. Singh
Name: Shawn K. Singh, JD
Title: Chief Executive Officer

Exhibit Index

Exhibit No.	Description
10.1	Form of Unit Subscription Agreement, dated April 1, 2014
10.2	Form of Subordinate Convertible Promissory Bridge Note, dated April 1, 2014
10.3	Form of Warrant, dated April 1, 2014

SUBSCRIPTION AGREEMENT

UNITS

TO: VistaGen Therapeutics, Inc., a Nevada corporation, (the “Corporation”)

RE: Purchase of Units of VistaGen Therapeutics, Inc.

Instructions: Complete and sign this Subscription Agreement. Please be sure to initial the appropriate “accredited investor” category in Box C.

A completed and originally executed copy of, and the other documents required to be delivered with, this Subscription Agreement, must be delivered to the following address:

Shawn K. Singh, JD
Chief Executive Officer
VistaGen Therapeutics, Inc.
343 Allerton Avenue
South San Francisco, CA 94080
(650) 577-3600
ssingh@vistagen.com

1. The undersigned (the “Subscriber”) hereby irrevocably subscribes for and agrees to purchase from the Corporation the number of units of the Corporation (“Units”) at the price and for the aggregate consideration set forth in Box A of Section 6 below (the “Subscription Price”). Each Unit will consist of (i) an unsecured convertible promissory note (a “Note”) in the face amount of \$50,000 bearing interest at a rate of ten percent (10.0%) per annum and maturing on the earlier to occur of (a) March 31, 2015 (“Maturity”), or (b) the consummation of either (y) an equity or equity-based public offering registered with the U.S. Securities and Exchange Commission (“SEC”) or (z) an equity or equity-based private financing, or series of such financing transactions, not registered with the SEC, in each case resulting in gross proceeds to the Corporation of at least \$10.0 million prior to Maturity (a “Qualified Financing”); (ii) FIFTY THOUSAND (50,000) shares of unregistered Common Stock of the Corporation (the “Shares”); and (iii) a warrant to purchase FIFTY THOUSAND (50,000) shares of Common Stock of the Corporation at a price of \$0.50 per share through December 31, 2016 (each warrant to purchase shares of Common Stock, a “Warrant”). The Subscription Price for each Unit shall be \$50,000. The Subscriber acknowledges that this Subscription Agreement is subject to acceptance by the Corporation. The Corporation may also accept this Subscription Agreement in part. The Company agrees that if this Subscription Agreement is not accepted in full, any funds related to the portion of this Subscription Agreement not accepted will be promptly returned to the undersigned, without interest.

2. By executing this Subscription Agreement, the Subscriber represents, warrants and covenants to the Corporation (and acknowledges that the Corporation is relying thereon) that:

- (a) it is authorized to consummate the purchase of the Units;
- (b) it understands that the Note, the Shares, the Warrants and the Shares issuable upon conversion of the Note or exercise of the Warrants (collectively, the “Securities”) have not been and, except for the shares issuable upon automatic conversion of the Note into the securities issued in the Qualified Financing, in the event that the Qualified Financing is a registered public offering, will not be registered under the Securities Act of 1933 (the “Securities Act”), or any applicable state securities laws, and that the offer and sale of the Note, the Shares and Warrants to it is being made in reliance on a private placement exemption available under Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D under the Securities Act (“Regulation D”) to accredited investors (“Accredited Investors”), as defined in Rule 501(a) of Regulation D;

- (c) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Units and is able to bear the economic risks of, and withstand the complete loss of, such investment;
 - (d) it is an Accredited Investor acquiring the Units for its own account or, if the Units are to be purchased for one or more accounts (“*Investor Accounts*”) with respect to whom it is exercising sole investment discretion, each such investor account is an Accredited Investor on a like basis. In each case, the undersigned has completed Box C of Section 6 to indicate under which category of Rule 501(a) the investor qualifies as an Accredited Investor;
 - (e) it is not acquiring the Units with a view to any resale, distribution or other disposition of the Units in violation of federal or applicable state securities laws, and, in particular, it has no intention to distribute either directly or indirectly any of the Units in the U.S. or to U.S. persons; provided, however, that the holder may sell or otherwise dispose of any of the Units pursuant to registration thereof under the Securities Act and any applicable state securities laws or pursuant to an exemption from such registration requirements;
 - (f) in the case of the purchase by the Subscriber of the Units as agent or trustee for any other person, the Subscriber has due and proper authority to act as agent or trustee for and on behalf of such beneficial purchaser in connection with the transactions contemplated hereby;
 - (g) it is not purchasing the Units as a result of any general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
 - (h) it understands that the Securities are “restricted securities” as defined in Rule 144(a)(3) under the Securities Act and agrees that if it decides to offer, sell or otherwise transfer the Securities, such Securities may be offered, sold or otherwise transferred only (A) to the Corporation, (B) outside the U.S. in accordance with Rule 904 of Regulation S under the Securities Act, (C) within the U.S. or to or for the account or benefit of a U.S. Person in accordance with an exemption from the registration requirements of the Securities Act and all applicable state securities laws, (D) in a transaction that does not require registration under the Securities Act or any applicable U.S. state securities laws or (E) pursuant to an effective registration statement under the Securities Act, and in each case in accordance with any applicable state securities laws in the U.S. or securities laws of any other applicable jurisdiction; provided that with respect to sales or transfers under clauses (C) or (D), only if the holder has furnished to the Corporation a written opinion of counsel, reasonably satisfactory to the Corporation, prior to such sale or transfer;
 - (i) it has been independently advised as to the applicable holding period and resale restrictions with respect to trading imposed in respect of the Securities, by securities legislation in the jurisdiction in which it resides or to which it is otherwise subject, and confirms that no representation has been made respecting the applicable holding periods for the Securities and is aware of the risks and other characteristics of the Securities and of the fact that the undersigned may not be able to resell the Securities except in accordance with applicable securities legislation and regulations;
 - (j) no person has made to the Subscriber any written or oral representations:
 - (i) that any person will resell or repurchase any of the Securities;
 - (ii) that any person will refund the purchase price of the Securities; or
 - (iii) as to the future price or value of any of the Securities;
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- (k) it understands and acknowledges that certificates representing the Note, the Shares and the Warrants shall bear the following legend or another legend of substantially similar substance:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION, THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE U.S. IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (C) IN COMPLIANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND, IN THE CASE OF (C) AND (D), THE SELLER FURNISHES TO THE CORPORATION A WRITTEN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE CORPORATION TO SUCH EFFECT.”

- (l) it consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Shares in order to implement the restrictions on transfer set forth and described herein;
- (m) the office or other address of the undersigned at which the undersigned received and accepted the offer to purchase the Units is the address listed in Box B of Section 6 below;
- (n) if required by applicable securities laws, regulations, rule or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver and file, within the approved time periods, all documentation as may be required thereunder, and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the issuance of the Units;
- (o) this subscription agreement has been duly and validly authorized, executed and delivered by and constitutes a legal, valid, binding and enforceable obligation of the Subscriber; and
- (p) it is not an affiliate (as defined in Rule 144 under the Securities Act) of the Corporation and is not acting on behalf of an affiliate of the Corporation.

3. By executing this Subscription Agreement, the Corporation represents, warrants and covenants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:

- (a) Incorporation. The Company has been duly incorporated and is validly existing and in good standing under the laws of the state of Nevada, with full corporate power and authority to own, lease and operate its properties and to conduct its business as currently conducted, and is duly registered and qualified to conduct its business and is in good standing in each jurisdiction or place where the nature of its properties or the conduct of its business requires such registration or qualification, except where the failure to register or qualify would not have a Material Adverse Effect. For purposes of this Agreement, “Material Adverse Effect” shall mean any material adverse effect on the business, operations, properties, prospects, or financial condition of the Company and its subsidiaries and/or any condition, circumstance, or situation that would prohibit or otherwise materially interfere with the ability of the Company to perform any of its obligations hereunder or under any of the Securities.
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- (b) Authorization of Securities. The Securities have been duly authorized by all necessary corporate action and, when paid for or issued in accordance with the terms hereof, the Securities shall be validly issued, fully paid and non-assessable, free and clear of all liens, encumbrances and rights of refusal of any kind.
- (c) Execution; Binding Agreement. This Agreement and the Securities have been duly authorized, validly executed and delivered on behalf of the Company and are valid and binding agreements and obligations of the Company enforceable against the Company in accordance with its terms, subject to limitations on enforcement by general principles of equity and by bankruptcy or other laws affecting the enforcement of creditors' rights generally, and the Company has full power and authority to execute and deliver the Agreement and the Securities and to perform its obligations hereunder and thereunder.
- (d) No Conflicts. The execution and delivery of the Agreement and Securities and the consummation of the transactions contemplated by this Agreement and the Securities, will not (i) conflict with or result in a breach of or a default under any of the terms or provisions of, (A) the Company's certificate of incorporation or by-laws, or (B) of any material provision of any indenture, mortgage, deed of trust or other material agreement or instrument to which the Company is a party or by which it or any of its material properties or assets is bound, (ii) result in a violation of any provision of any law, statute, rule, regulation, or any existing applicable decree, judgment or order by any court, federal or state regulatory body, administrative agency, or other governmental body having jurisdiction over the Company, or any of its material properties or assets or (iii) result in the creation or imposition of any material lien, charge or encumbrance upon any material property or assets of the Company or any of its subsidiaries pursuant to the terms of any agreement or instrument to which any of them is a party or by which any of them may be bound or to which any of their property or any of them is subject except in the case of clauses (i)(B), (ii) or (iii) for any such conflicts, breaches, or defaults or any liens, charges, or encumbrances which would not have a Material Adverse Effect.
- (e) No Solicitation. The Company represents that it has not paid, and shall not pay, any commissions or other remuneration, directly or indirectly, to any third party for the sale of the Securities. There are no brokers or other fees due with respect to the sale of the Securities.
- (f) Warrant and Other Adjustments; Consents. The Company acknowledges and agrees that the transactions contemplated hereby may cause adjustments (including warrant shares numbers) to the common stock purchase warrants issued to Platinum Long Term Growth VII, LLC ("Platinum") pursuant to that certain Note Exchange and Purchase Agreement, dated as of October 12, 2012 (the "2012 Purchase Agreement"), to the extent not otherwise previously adjusted. The Company further acknowledges and agrees that the consent of Platinum for the incurrence of indebtedness to Platinum hereunder shall not be deemed to constitute the consent of Platinum to any other indebtedness, which consent is required pursuant to the Subscription Agreement and the indebtedness issued thereby.
- (g) Material Disclosure. No representation, warranty or statement contained in this Section 3 or any disclosure furnished by the Company pursuant to this Agreement or pursuant to its filings with the Securities and Exchange Commission contains or will contain at closing hereunder any untrue statement of material fact or omits or will omit at such closing to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

4. Each party acknowledges that the representations and warranties and agreements contained herein are made by it with the intention that they may be relied upon by the other party for purposes of consummating the transactions contemplated hereby, and shall be deemed made as of the date hereof and as of the date of consummation of the transactions made hereby, which representations shall survive such consummation.

5. The contract arising out of the acceptance of this subscription by the Corporation shall be governed by and construed in accordance with the laws of the State of California and represents the entire agreement of the parties hereto relating to the subject matter hereof.

6. The Company shall reimburse Platinum for its reasonable legal fees and expenses incurred hereunder or in connection herewith, which shall not exceed \$3,500 and which may be deducted from the purchase price for the Units delivered hereunder. Each party shall be entitled to rely on delivery of a facsimile copy of this subscription agreement, which may be executed in counterparts.

7. SUBSCRIPTION PARTICULARS

BOX A

Particulars of Purchase of Units

Number of Units subscribed for:

Subscription Price (\$50,000 X number of Units)

BOX B

Subscriber Information

Name

Street Address

City and State

Zip Code

Contact Name

Phone No.

E-mail Address



BOX C

Accredited Investor Status

The Subscriber represents and warrants that it is an “accredited investor”, as defined in Rule 501(a) under the Securities Act, by virtue of satisfying one or more of the categories indicated below **(please write your initials on the line next to each applicable category)**:

- Category 1. A bank, as defined in section 3(a)(2) of the Securities Act.
- A savings and loan association or other institution, as defined in section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity.
- A broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934.
- An insurance company as defined in section 2(a)(13) of the Securities Act.
- An investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in section 2(a)(48) of that Act.
- A Small Business Investment Corporation licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958.
- A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000.
- An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- Category 2. Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940.
- Category 3. An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000.
- Category 4. A director or executive officer of the Corporation.
- Category 5. A natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of this purchase exceeds \$1,000,000, excluding the value of the person’s primary residence, if any.
- Category 6. A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- Category 7. A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D under the U.S. Securities Act.
- Category 8. An entity in which each of the equity owners is an accredited investor.

8. A certified check or bank draft in the amount of the Subscription Price as set forth in Box A of Section 6 above, accompanies this Subscription Agreement.

SIGNATURE OF SUBSCRIBER

Signature of Subscriber (on its own behalf and, if applicable, on behalf of each person for whom it is contracting hereunder):

(Full Name of Subscriber)

(Authorized Signature)

(Name and Official Capacity, if applicable)

ACCEPTANCE BY CORPORATION

The Corporation hereby accepts the above subscription as of this _____ day of April 2014.

VistaGen Therapeutics, Inc.

Shawn K. Singh, JD, Chief Executive Officer

THIS NOTE AND THE SECURITIES INTO WHICH IT IS CONVERTIBLE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR UNLESS VISTAGEN THERAPEUTICS, INC. SHALL HAVE RECEIVED AN OPINION OF COUNSEL THAT THE REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

VISTAGEN THERAPEUTICS, INC.

Subordinate Convertible Promissory Bridge Note

U.S. \$ _____ Issuance Date: April 1, 2014

Maturity Date: March 31, 2015

FOR VALUE RECEIVED, VistaGen Therapeutics, Inc., a Nevada corporation (the "Company"), hereby promises to pay to the order of _____ or any permitted holder of this Subordinate Convertible Promissory Bridge Note (the "Payee"), at the principal office of the Payee set forth herein, or at such other place as the Payee may designate in writing to the Company, the principal sum of _____ (\$ _____), with interest on the unpaid principal balance hereof at a rate equal to ten percent (10%) per annum commencing on the date hereof, in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts and in immediately available funds, as provided in this Subordinate Convertible Promissory Bridge Note (this "Note"). This Note is being issued pursuant to the terms and conditions of that certain Subscription Agreement, dated on or about the date hereof, by and between the Company and Payee (the "Subscription Agreement").

This Note is not secured by any asset of the Company and is expressly subordinate, in payment and priority, to the payment of the several Senior Secured Convertible Promissory Notes issued by the Company to Platinum Long Term Growth VII LLC (the "Senior Lender"), together with any related obligations and any other promissory note that may, in the future, be issued to the Senior Lender and secured by the collateral granted to the Senior Lender pursuant to the terms of the Note Exchange and Purchase Agreement, dated as of October 11, 2012, by and between the Company and the Senior Lender.

1. Automatic Conversion of Principal and Interest; Cash Payment Option.

(a) Automatic Conversion. Subject to the Payee's Cash Payment Option (as defined in Section 1(b) below) and Section 4 hereof, upon the closing by the Company of an equity or equity-based public offerings registered with (i) the U.S. Securities Exchange Commission (the "SEC") or (ii) an equity or equity based private financing, or series of such financing transactions not registered with the SEC, in each case resulting, following the Issuance Date, in gross proceeds to the Company totaling at least \$10,000,000 (a "Qualified Financing"), the outstanding principal amount of this Note together with all accrued and unpaid interest hereunder (the "Outstanding Balance") shall be automatically converted, at the closing and on the same terms and conditions of the Qualified Financing, into such securities, including warrants of the Company, as are issued in the Qualified Financing (the "Qualified Financing Securities"), the number of which shall be determined as follows: (the Outstanding Balance as of the closing of the Qualified Financing x (1.25) / (the per security price of the securities sold in the Qualified Financing (valued at the lowest per share price if more than one transaction constitutes the Qualified Financing)), (the "Automatic Conversion Formula"); provided, however, that, no such automatic conversion shall occur with respect to a portion of the Note if conversion thereof would violate the terms of Section 4 hereof, in which case the Note shall be partially converted pursuant to the Automatic Conversion Formula to the extent not in violation of Section 4 hereof and any balance shall be repaid pursuant to the Cash Payment Option.

(b) Cash Payment in Lieu of Automatic Conversion.

(i) Qualified Financing Notice. In anticipation of, and prior to, the consummation of the Qualified Financing, and no later than five (5) business days prior to the date on which the Company intends to consummate the Qualified Financing, the Company shall deliver a notice to the Payee in accordance with Section 13 of this Note (the "Qualified Financing Notice") stating (i) its bona fide intention to consummate the Qualified Financing, and (ii) the principal terms upon which it proposes to consummate the Qualified Financing;

(ii) Cash Payment. In lieu of automatic conversion of the Outstanding Balance upon the closing of the Qualified Financing in accordance with Section 1(a) above, the Payee may, at its option, elect to receive a cash payment from the Company (the "Cash Payment Option") equal to the Outstanding Balance as of the date of payment as satisfaction of the obligations of the Company under the Note (the "Cash Payment") by delivering written notice to the Company no later than three (3) business days after receipt of the Qualified Financing Notice by the Payee (the "Cash Payment Notice"). If the Payee elects to exercise the Cash Payment Option, the Company shall deliver the Cash Payment to the Payee upon, and as a condition to, the consummation of the Qualified Financing;

2. Issuance of Warrants. In consideration of the loan evidenced by this Note, upon the execution and delivery of this Note, the Company shall issue to the Payee Common Stock Warrants to purchase 250,000 shares of the Company's common stock in the form attached as Exhibit A (the "Warrant").

3. Voluntary Conversion of Principal and Interest. Subject to the terms and conditions of this Section 3 and provided this Note remains outstanding, at any time and from time to time, the Payee shall have the right, at the Payee's option, to convert all or a portion of the Outstanding Balance (the "Conversion Option") into such number of fully paid and non-assessable shares of the Company's common stock (the "Common Stock") as is determined in accordance with the following formula: (the portion of the Outstanding Balance as of the date of the exercise of the Conversion Option being converted) / \$0.50 (as equitably adjusted for stock splits, stock dividends, combinations, recapitalizations and the like). If the Payee desires to exercise the Conversion Option, the Payee shall, by personal delivery or nationally-recognized overnight carrier, surrender the original of this Note and give written notice to the Company (the "Conversion Notice"), which Conversion Notice shall (a) state the Payee's election to exercise the Conversion Option, and (b) provide for a representation and warranty of the Payee to the Company that, as of the date of the Conversion Notice, the Payee has not assigned or otherwise transferred all or any portion of the Payee's rights under this Note to any third parties. The Company shall, within 3 business days thereafter, issue and deliver to the Payee the number of Common Stock to which the Payee shall be entitled upon exercise of the Conversion Option.

4. Ownership Cap and Certain Conversion Restrictions. Notwithstanding anything to the contrary set forth in this Note, at no time may the Payee convert all or a portion of this Note if the number of shares of Common Stock to be issued pursuant to such conversion, when aggregated with all other shares of Common Stock owned by the Payee at such time, would result in the Payee, together with its affiliates, beneficially owning (as determined in accordance with Section 13(d) of the Exchange Act and the rules thereunder) in excess of 9.9% of the then issued and outstanding shares of Common Stock outstanding at such time (the "9.9% Threshold"); provided, however, that upon the Payee providing the Company with at least 61 days' notice pursuant that the Payee would like to waive this Section 4 with regard to any or all shares of Common Stock issuable upon conversion of this Note, this Section 4 shall be of no force or effect with regard to all or a portion of the Note referenced in the Waiver Notice.

5. [Reserved].

6. Principal and Interest Payments.

(a) The Company shall repay the entire principal balance then outstanding under this Note on **March 31, 2015** (the "Maturity Date") unless earlier converted or repaid pursuant to the terms hereof.

(b) Interest on the outstanding principal balance of this Note shall accrue at a rate of ten percent (10%) per annum commencing on the date hereof, compounding monthly, which interest shall be computed on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days. All accrued and unpaid interest due under this Note shall be payable on the Maturity Date by the Company in cash unless earlier converted or repaid pursuant to the terms hereof. Furthermore, upon the occurrence of an Event of Default (as defined below), then to the extent permitted by applicable law, the Company will pay interest to the Payee on the then outstanding principal balance of the Note from the date of the Event of Default until this Note is paid in full at the rate of twenty-four percent (24%) per annum.

(c) Without the prior written consent of the Payee, the Company may not prepay principal and accrued interest hereunder.

7. Non-Business Days. Whenever any payment to be made shall be due on a Saturday, Sunday or a public holiday under the laws of the State of New York, such payment may be due on the next succeeding business day and such next succeeding day shall be included in the calculation of the amount of accrued interest payable on such date.

8. Events of Default. The occurrence of any of the following events shall be an "Event of Default" under this Note:

(a) the Company shall fail to make the payment of any principal amount outstanding for a period of ten (10) days after the date such payment shall become due and payable hereunder; provided, however, that the Company shall have ten (10) days to cure any such default; or

(b) the Company shall fail to make the payment of any accrued and unpaid interest for a period of ten (10) days after the date such interest shall become due and payable hereunder; provided, however, that the Company shall have ten (10) days to cure any such default; or

(c) any material breach by the Company of any representations or warranties or covenants or other obligations of the Company hereunder or in the Subscription Agreement or Warrant; or

(d) the Company shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property or assets, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under the Federal Bankruptcy Code, as amended (the "Bankruptcy Code") or under the comparable laws of any jurisdiction (foreign or domestic), (iv) file a petition seeking to take advantage of any bankruptcy, insolvency, moratorium, reorganization or other similar law affecting the enforcement of creditors' rights generally, or (v) acquiesce in writing to any petition filed against it in an involuntary case under the Bankruptcy Code or under the comparable laws of any jurisdiction (foreign or domestic); or

(e) a proceeding or case shall be commenced in respect of the Company without its application or consent, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, moratorium, dissolution, winding up, or composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets or (iii) similar relief in respect of it under any law providing for the relief of debtors, and such proceeding or case described in clause (i), (ii) or (iii) shall continue undismissed, or unstayed and in effect, for a period of forty-five (45) consecutive days or any order for relief shall be entered in an involuntary case under the Bankruptcy Code or under the comparable laws of any jurisdiction (foreign or domestic) against the Company or any of its subsidiaries and shall continue undismissed, or unstayed and in effect for a period of forty-five (45) consecutive days.

9. Remedies Upon An Event of Default. If an Event of Default shall have occurred and shall be continuing, the Payee of this Note may at any time at its option, declare by written notice to the Company, the entire unpaid principal balance of this Note together with all interest accrued and unpaid hereon, due and payable without presentment, demand, protest, or notice, all of which are hereby expressly unconditionally and irrevocably waived by the Company may exercise or otherwise enforce any one or more of the Payee's rights, powers, privileges, remedies and interests under this Note or applicable law. No course of delay on the part of the Payee shall operate as a waiver thereof or otherwise prejudice the right of the Payee. No remedy conferred hereby shall be exclusive of any other remedy referred to herein or now or hereafter available at law, in equity, by statute or otherwise.

10. Replacement. Upon receipt of a duly executed and notarized written statement from the Payee with respect to the loss, theft or destruction of this Note (or any replacement hereof), and without requiring an indemnity bond or other security, or, in the case of a mutilation of this Note, upon surrender and cancellation of such Note, the Company shall issue a new Note, of like tenor and amount, in lieu of such lost, stolen, destroyed or mutilated Note.

11. Parties in Interest; Transferability. This Note shall be binding upon the Company and its successors and assigns and the terms hereof shall inure to the benefit of the Payee and its successors and permitted assigns. This Note may be transferred, sold, pledged, hypothecated or otherwise granted as security by the Payee, in the Payee's sole discretion, without the prior written consent of the Company.

12. Amendments. This Note may not be modified or amended in any manner except in writing executed by the Company and the Payee.

13. Notices. Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be in writing and shall be effective (a) upon hand delivery by telecopy or facsimile at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the first business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur.

Address of the Payee:

Address of the Company:

VistaGen Therapeutics, Inc.

343 Allerton Avenue
South San Francisco, CA 94080
Attention: Chief Executive Officer
Tel. No.: (650) 577-3600

14. Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to the choice of law provisions. This Note shall not be interpreted or construed with any presumption against the party causing this Note to be drafted.

15. Headings. Article and section headings in this Note are included herein for purposes of convenience of reference only and shall not constitute a part of this Note for any other purpose.

16. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note, at law or in equity (including, without limitation, a decree of specific performance and/or other injunctive relief), no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy and nothing herein shall limit a Payee's right to pursue actual damages for any failure by the Company to comply with the terms of this Note. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable and material harm to the Payee and that the remedy at law for any such breach may be inadequate. Therefore the Company agrees that, in the event of any such breach or threatened breach, the Payee shall be entitled, in addition to all other available rights and remedies, at law or in equity, to seek and obtain such equitable relief, including but not limited to an injunction restraining any such breach or threatened breach, without the necessity of showing economic loss and without any bond or other security being required.

17. Failure or Delay Not Waiver. No failure or delay on the part of the Payee in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

18. Enforcement Expenses. The Company agrees to pay all reasonable costs and expenses of enforcement of this Note, including, without limitation, reasonable attorneys' fees and expenses.

19. Binding Effect. The obligations of the Company and the Payee set forth herein shall be absolute and binding upon the successors and permitted assigns of each such party.

20. Compliance with Securities Laws. The Payee acknowledges and agrees that this Note and the securities issuable upon the conversion of this Note, is being, and will be, acquired solely for the Payee's own account and not as a nominee for any other party, and for investment purposes only and not with a view to the resale or distribution of any part thereof, and that the Payee shall not offer, sell or otherwise dispose of this Note or the securities issuable upon the conversion of this Note other than in compliance with applicable federal and state laws. The Payee understands that this Note and the securities issuable upon the conversion of this Note are "restricted securities" under applicable federal and state securities laws and that such securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"). The Payee, by its acceptance hereof, represents and warrants to the Company that the Payee is an "accredited investor" as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act. This Note and any Note issued in substitution or replacement therefore, and the securities issuable upon the conversion of this Note, shall be stamped or imprinted with a legend in substantially the following form:

"THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR UNLESS VISTAGEN THERAPEUTICS, INC. SHALL HAVE RECEIVED AN OPINION OF COUNSEL THAT THE REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

21. Severability. The provisions of this Note are severable, and if any provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall not in any manner affect such provision in any other jurisdiction or any other provision of this Note in any jurisdiction.

22. Consent to Jurisdiction. Each of the Company and the Payee (i) hereby irrevocably submits to the jurisdiction of the United States District Court sitting in the Southern District of New York and the courts of the State of New York located in New York county for the purposes of any suit, action or proceeding arising out of or relating to this Note and (ii) hereby waives, and agrees not to assert in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum or that the venue of the suit, action or proceeding is improper. Each of the Company and the Payee consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address set forth in Section 13 hereof and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing in this Section 22 shall affect or limit any right to serve process in any other manner permitted by applicable law.

23. Waivers. Except as otherwise specifically provided herein, the Company hereby waives presentment, demand, notice of nonpayment, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Note, and does hereby consent to any number of renewals or extensions of the time for payment hereof and agrees that any such renewals or extensions may be made without notice and without affecting its liability herein, AND DOES HEREBY WAIVE TRIAL BY JURY. No delay or omission on the part of the Payee in exercising its rights under this Note, or course of conduct relating hereto, shall operate as a waiver of such rights or any other right of the Payee, nor shall any waiver by the Payee of any such right or rights on any one occasion be deemed a waiver of the same right or rights on any future occasion.

24. Assignment. The Company shall not have the right to assign its rights and obligations hereunder or any interest herein.

IN WITNESS WHEREOF, the Company has executed and delivered this Note as of the date first written above.

VISTAGEN THERAPEUTICS, INC.

By: _____
Name:
Title:

THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR THE ISSUER SHALL HAVE RECEIVED AN OPINION OF COUNSEL THAT REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

WARRANT TO PURCHASE
SHARES OF COMMON STOCK
OF
VISTAGEN THERAPEUTICS, INC.

Expires December 31, 2016

No.: _____ Number of Shares: _____
Date of Issuance: April 1, 2014

FOR VALUE RECEIVED, subject to the provisions hereinafter set forth, the undersigned, VISTAGEN THERAPEUTICS, INC., a Nevada corporation (together with its successors and assigns, the "Issuer"), hereby certifies that _____, or its registered assigns, is entitled to subscribe for and purchase, during the period specified in this Warrant, up to _____ (_____) shares (subject to adjustment as hereinafter provided) of the duly authorized, validly issued, fully paid and non-assessable Common Stock of the Issuer, at an exercise price per share equal to the Warrant Price then in effect, subject, however, to the provisions and upon the terms and conditions hereinafter set forth. Capitalized terms used in this Warrant and not otherwise defined herein shall have the respective meanings specified in [Article 8](#) hereof.

ARTICLE 1 - Term

Section 1.1 Term

The right to subscribe for and purchase shares of Warrant Stock represented hereby shall commence on April 1, 2014 (the "Commencement Date") and shall expire at 5:00 p.m., Eastern Time, on December 31, 2016 (such period being the "Term").

ARTICLE 2 - Method of Exercise; Issuance of New Warrant; Transfer and Exchange.

Section 2.1 Time of Exercise

The purchase rights represented by this Warrant may be exercised in whole or in part at any time and from time to time during the Term commencing on the Commencement Date.

Section 2.2 Method of Exercise

The Holder hereof may exercise this Warrant, in whole or in part by the payment to the Issuer of an amount of consideration therefor equal to the Warrant Price in effect on the date of such exercise multiplied by the number of shares of Warrant Stock with respect to which this Warrant is then being exercised, payable at such Holder's election (i) by certified or official bank check or by wire transfer to an account designated by the Issuer, (ii) by "cashless exercise" in accordance with the provisions of [Section 2.3](#) below, or (iii) by a combination of the foregoing methods of payment selected by the Holder of this Warrant. The Holder need not surrender this Warrant upon exercise (other than an exercise in whole), but shall provide notice of such exercise by e-mail, fax or other transmission substantially in the form attached hereto.

Section 2.3 Cashless Exercise

Notwithstanding any provisions herein to the contrary at any time following the Original Issue Date, if the Per Share Market Value of one share of Common Stock is greater than the Warrant Price (at the date of calculation as set forth below), the Holder may exercise this Warrant by a cashless exercise; but, only if the sale by the Holder of the shares of Common Stock to be received upon exercise are not registered under an effective registration statement filed by the Issuer with the Securities and Exchange Commission. In the event of a cashless exercise, the Holder shall receive the number of shares of Common Stock equal to an amount (as determined below) by surrender of this Warrant at the principal office of the Issuer together with the properly endorsed Notice of Exercise in which event the Issuer shall issue to the Holder a number of shares of Common Stock computed using the following formula:

$$X = Y - \frac{A}{B}Y$$

Where X = the number of shares of Common Stock to be issued to the Holder.

Y = the number of shares of Common Stock purchasable upon exercise of all of the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being exercised.

A = the Warrant Price.

B = the Per Share Market Value of one share of Common Stock.

Section 2.4 Issuance of Stock Certificates

In the event of any exercise of the rights represented by this Warrant in accordance with and subject to the terms and conditions hereof: (i) certificates for the shares of Warrant Stock so purchased shall be dated the date of such exercise and delivered to the Holder hereof within a reasonable time, not exceeding three (3) Trading Days after such exercise (the "Delivery Date") or, at the request of the Holder, issued and delivered to the Depository Trust Company ("DTC") account on the Holder's behalf via the Deposit Withdrawal Agent Commission System ("DWAC") within a reasonable time, not exceeding three (3) Trading Days after such exercise, and the Holder hereof shall be deemed for all purposes to be the Holder of the shares of Warrant Stock so purchased as of the date of such exercise, and (ii) unless this Warrant has expired, a new Warrant representing the number of shares of Warrant Stock, if any, with respect to which this Warrant shall not then have been exercised (less any amount thereof which shall have been canceled in payment or partial payment of the Warrant Price as hereinabove provided) shall also be issued to the Holder hereof at the Issuer's expense within such time.

Section 2.5 Transferability of Warrant

Subject to [Section 2.7](#), this Warrant may be transferred by the Holder without the consent of the Issuer. If transferred pursuant to this paragraph, this Warrant may be transferred on the books of the Issuer by the Holder hereof in person or by the Holder's duly authorized attorney, upon surrender of this Warrant at the principal office of the Issuer, properly endorsed (by the Holder executing an assignment in the form attached hereto) and upon payment of any necessary transfer tax or other governmental charge imposed upon such transfer. This Warrant is exchangeable at the principal office of the Issuer for Warrants for the purchase of the same aggregate number of shares of Warrant Stock, each new Warrant to represent the right to purchase such number of shares of Warrant Stock as the Holder hereof shall designate at the time of such exchange. All Warrants issued on transfers or exchanges shall be dated the Original Issue Date and shall be identical with this Warrant except as to the number of shares of Warrant Stock issuable pursuant hereto.

Section 2.6 Continuing Rights of Holder

The Issuer will, at the time of or at any time after each exercise of this Warrant, upon the request of the Holder hereof, acknowledge in writing the extent, if any, of its continuing obligation to afford to such Holder all rights to which such Holder shall continue to be entitled after such exercise in accordance with the terms of this Warrant, provided that if any such Holder shall fail to make any such request, the failure shall not affect the continuing obligation of the Issuer to afford such rights to such Holder.

Section 2.7 Compliance with Securities Laws

2.7.1 The Holder of this Warrant, by acceptance hereof, acknowledges that this Warrant and the shares of Warrant Stock to be issued upon exercise hereof are being acquired solely for the Holder's own account and not as a nominee for any other party, and for investment, and that the Holder will not offer, sell or otherwise dispose of this Warrant or any shares of Warrant Stock to be issued upon exercise hereof except pursuant to an effective registration statement, or an exemption from registration, under the Securities Act and any applicable state securities laws.

2.7.2 Except as provided in [Section 2.7.3](#) below, this Warrant and all certificates representing shares of Warrant Stock issued upon exercise hereof shall be stamped or imprinted with a legend in substantially the following form:

THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR VISTAGEN THERAPEUTICS, INC. SHALL HAVE RECEIVED AN OPINION OF COUNSEL THAT REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

2.7.3 The restrictions imposed by this [Section 2.7](#) upon the transfer of this Warrant or the shares of Warrant Stock to be purchased upon exercise hereof shall terminate (A) when such securities shall have been resold pursuant to an effective registration statement under the Securities Act, (B) upon the Issuer's receipt of an opinion of counsel, in form and substance reasonably satisfactory to the Issuer, addressed to the Issuer to the effect that such restrictions are no longer required to ensure compliance with the Securities Act and state securities laws or (C) upon the Issuer's receipt of other evidence reasonably satisfactory to the Issuer that such registration and qualification under the Securities Act and state securities laws are not required. Whenever such restrictions shall cease and terminate as to any such securities, the Holder thereof shall be entitled to receive from the Issuer (or its transfer agent and registrar), without expense (other than applicable transfer taxes, if any), new Warrants (or, in the case of shares of Warrant Stock, new stock certificates) of like tenor not bearing the applicable legend required by [Section 2.7.2](#) above relating to the Securities Act and state securities laws.

Section 2.8 Buy In

In addition to any other rights available to the Holder, if the Issuer fails to cause its transfer agent to transmit to the Holder a certificate or certificates representing the Warrant Stock pursuant to an exercise on or before the Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Stock which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Issuer shall (1) pay in cash to the Holder the amount by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (A) the number of shares of Warrant Stock that the Issuer was required to deliver to the Holder in connection with the exercise at issue times, (B) the price at which the sell order giving rise to such purchase obligation was executed, and (2) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of shares of Warrant Stock for which such exercise was not honored or deliver to the Holder the number of shares of Common Stock that would have been issued had the Issuer timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (1) of the immediately preceding sentence the Issuer shall be required to pay the Holder \$1,000. The Holder shall provide the Issuer written notice indicating the amounts payable to the Holder in respect of the Buy-In, together with applicable confirmations and other evidence reasonably requested by the Issuer. Nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Issuer's failure to timely deliver certificates representing shares of Common Stock upon exercise of this Warrant as required pursuant to the terms hereof.

ARTICLE 3 - Stock Fully Paid; Reservation and Listing of Shares; Covenants

Section 3.1 Stock Fully Paid

The Issuer represents, warrants, covenants and agrees that all shares of Warrant Stock which may be issued upon the exercise of this Warrant or otherwise hereunder will, upon issuance, be duly authorized, validly issued, fully paid and non-assessable and free from all taxes, liens and charges created by or through Issuer. The Issuer further covenants and agrees that during the period within which this Warrant may be exercised, the Issuer will at all times have authorized and reserved for the purpose of the issue upon exercise of this Warrant a number of shares of Common Stock equal to at least 150% of the aggregate number of shares of Common Stock exercisable hereunder to provide for the exercise of this Warrant (without regard to limitations on exercisability set forth in [Article 7](#)).

Section 3.2 Reservation

If any shares of Common Stock required to be reserved for issuance upon exercise of this Warrant or as otherwise provided hereunder require registration or qualification with any governmental authority under any federal or state law before such shares may be so issued, the Issuer will in good faith use its best efforts as expeditiously as possible at its expense to cause such shares to be duly registered or qualified. If the Issuer shall list any shares of Common Stock on any securities exchange or market it will, at its expense, list thereon, maintain and increase when necessary such listing, of, all shares of Warrant Stock from time to time issued upon exercise of this Warrant or as otherwise provided hereunder, and, to the extent permissible under the applicable securities exchange's rules, all unissued shares of Warrant Stock which are at any time issuable hereunder, so long as any shares of Common Stock shall be so listed. The Issuer will also so list on each securities exchange or market, and will maintain such listing of, any other securities which the Holder of this Warrant shall be entitled to receive upon the exercise of this Warrant if at the time any securities of the same class shall be listed on such securities exchange or market by the Issuer.

Section 3.3 Covenants

The Issuer shall not by any action including, without limitation, amending the Articles of Incorporation or the by-laws of the Issuer, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of the Holder hereof against dilution (to the extent specifically provided herein) or impairment. Without limiting the generality of the foregoing, the Issuer will (i) not permit the par value, if any, of its Common Stock to exceed the then effective Warrant Price, (ii) not amend or modify any provision of the Articles of Incorporation or by-laws of the Issuer in any manner that would adversely affect the rights of the Holders of the Warrants, (iii) take all such action as may be reasonably necessary in order that the Issuer may validly and legally issue fully paid and nonassessable shares of Common Stock, free and clear of any liens, claims, encumbrances and restrictions upon the exercise of this Warrant, and (iv) use its best efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be reasonably necessary to enable the Issuer to perform its obligations under this Warrant. The Issuer shall cause its Common Stock to continue to be registered under Section 12(g) or Section 12(b) of the Exchange Act and to comply in all respects with its reporting and filing obligations under the Exchange Act. The Issuer shall not take any action or file any document (whether or not permitted by the Securities Act or the rules promulgated thereunder) to terminate or suspend such registration or to terminate or suspend its reporting and filing obligations under the Exchange Act or Securities Act. The Issuer further covenants that it will take such further action as the Holder may reasonably request, all to the extent required from time to time to enable the Holder to sell the shares of Common Stock issuable upon exercise of this Warrant without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act. The Issuer shall provide, at the Issuer's expense, such legal opinions in the future as are appropriate and necessary for the issuance and resale of the Common Stock issuable upon exercise of this Warrant pursuant to an effective registration statement, Rule 144 under the Securities Act or an exemption from registration. In the event that such shares of Common Stock issuable upon exercise of this Warrant are sold in a manner that complies with an exemption from registration, the Issuer shall promptly cause its counsel (at the Issuer's expense) to issue to the Holder and the Issuer's transfer agent an opinion permitting removal of the legend to permit sales of the shares of Common Stock issuable upon exercise of this Warrant under Rule 144 of the Securities Act. The Issuer shall timely file all reports required to be filed with the SEC pursuant to the Exchange Act, and the Issuer shall not terminate its status as an issuer required to file reports under the Exchange Act even if the Exchange Act or the rules and regulations thereunder would permit such termination. The Issuer shall cause its Common Stock to be eligible for transfer pursuant to the Depository Trust Issuer Automated Securities Transfer Program at all times.

Section 3.4 Loss, Theft, Destruction of Warrants

Upon receipt of evidence satisfactory to the Issuer of the ownership of and the loss, theft, destruction or mutilation of any Warrant and, in the case of any such loss, theft or destruction, upon receipt of indemnity or security satisfactory to the Issuer or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Issuer will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the same number of shares of Common Stock.

ARTICLE 4

- Adjustment of Warrant Price and Warrant Share Number

The number of shares of Common Stock for which this Warrant is exercisable, and the price at which such shares may be purchased upon exercise of this Warrant, shall be subject to adjustment from time to time as set forth in this [Article 4](#). The Issuer shall give the Holder notice of any event described below which requires an adjustment pursuant to this [Article 4](#) in accordance with [Article 5](#). Notwithstanding any adjustment hereunder, at no time shall the Warrant Price be increased, except if it is adjusted pursuant to [Section 4.2.3](#).

Section 4.1 Recapitalization, Reorganization, Reclassification, Consolidation, Merger or Sale.

4.1.1 In case the Issuer after the Original Issue Date shall do any of the following (each, a “Triggering Event”): (a) consolidate with or merge into any other Person and the Issuer shall not be the continuing or surviving corporation of such consolidation or merger, or (b) permit any other Person to consolidate with or merge into the Issuer and the Issuer shall be the continuing or surviving Person but, in connection with such consolidation or merger, any Capital Stock of the Issuer shall be changed into or exchanged for Securities of any other Person or cash or any other property, or (c) transfer all or substantially all of its properties or assets to any other Person, or (d) effect a capital reorganization or reclassification of its Capital Stock, then, and in the case of each such Triggering Event, proper provision shall be made so that, upon the basis and the terms and in the manner provided in this Warrant, the Holder of this Warrant shall be entitled upon the exercise hereof at any time after the consummation of such Triggering Event, to the extent this Warrant is not exercised prior to such Triggering Event, to receive at the Warrant Price in effect at the time immediately prior to the consummation of such Triggering Event in lieu of the Common Stock issuable upon such exercise of this Warrant prior to such Triggering Event, the Securities, cash and property to which such Holder would have been entitled upon the consummation of such Triggering Event if such Holder had exercised the rights represented by this Warrant immediately prior thereto (including the right to elect the type of consideration, if applicable), subject to adjustments (subsequent to such corporate action) as nearly equivalent as possible to the adjustments provided for elsewhere in this [Article 4](#). Unless the surviving entity in any such Triggering Event is a public company under the Securities Exchange Act of 1934, the common equity securities of which are traded or quoted on a national securities exchange or the OTC Bulletin Board (a “Qualifying Entity”), the Holder, at its option, shall be permitted to require that the Company pay to the Holder an amount equal to the Black-Scholes value of this Warrant.

4.1.2 Notwithstanding anything contained in this Warrant to the contrary and so long as the surviving entity is a Qualifying Entity, the Issuer will not be deemed to have effected any Triggering Event if, prior to the consummation thereof, each Person (other than the Issuer) which may be required to deliver any Securities, cash or property upon the exercise of this Warrant as provided herein shall assume, by written instrument delivered to the Holder of this Warrant and reasonably satisfactory to the Holder, (A) the obligations of the Issuer under this Warrant (and if the Issuer shall survive the consummation of such Triggering Event, such assumption shall be in addition to, and shall not release the Issuer from, any continuing obligations of the Issuer under this Warrant) and (B) the obligation to deliver to such Holder such shares of Securities, cash or property as, in accordance with the foregoing provisions of this [Section 4.1](#), such Holder shall be entitled to receive, and such Person shall have similarly delivered to such Holder, an opinion of counsel for such Person, which shall be reasonably satisfactory to the Holder, stating that this Warrant shall thereafter continue in full force and effect and the terms hereof (including, without limitation, all of the provisions of this subsection [Section 4.1](#)) shall be applicable to the Securities, cash or property which such Person may be required to deliver upon any exercise of this Warrant or the exercise of any rights pursuant hereto.

Section 4.2 Stock Dividends, Subdivisions and Combinations

If at any time the Issuer shall:

4.2.1 set a record date or take a record of the holders of its Common Stock for the purpose of entitling them to receive a dividend payable in, or other distribution of, shares of Common Stock,

4.2.2 subdivide its outstanding shares of Common Stock into a larger number of shares of Common Stock, or

4.2.3 combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock,

then (1) the number of shares of Common Stock for which this Warrant is exercisable immediately after the occurrence of any such event shall be adjusted to equal the number of shares of Common Stock which a record holder of the same number of shares of Common Stock for which this Warrant is exercisable immediately prior to the occurrence of such event (without giving effect to [Article 7](#) hereof) would own or be entitled to receive after the happening of such event, and (2) the Warrant Price then in effect shall be adjusted to equal (A) the Warrant Price then in effect multiplied by the number of shares of Common Stock for which this Warrant is exercisable immediately prior to the adjustment divided by (B) the number of shares of Common Stock for which this Warrant is exercisable immediately after such adjustment.

Section 4.3 [\[Reserved\]](#)

Section 4.4 [\[Reserved\]](#)

Section 4.5 [\[Reserved\]](#)

Section 4.6 [\[Reserved\]](#)

Section 4.7 [\[Reserved\]](#)

Section 4.8 [Other Provisions Applicable to Adjustments under this Article](#)

In computing adjustments under this [Article 4](#), fractional interests in Common Stock shall be taken into account to the nearest one one-hundredth (1/100th) of a share.

Section 4.9 [Form of Warrant after Adjustments](#)

The form of this Warrant need not be changed because of any adjustments in the Warrant Price or the number and kind of securities purchasable upon exercise of this Warrant.

ARTICLE 5 - Notice of Adjustments

Whenever the Warrant Price or Warrant Share Number shall be adjusted pursuant to [Article 4](#) hereof (for purposes of this [Article 5](#), each an “adjustment”), the Issuer shall cause its Chief Financial Officer to prepare and execute a certificate setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated (including a description of the basis on which the Board made any determination hereunder), and the Warrant Price and Warrant Share Number after giving effect to such adjustment, and shall cause copies of such certificate to be delivered to the Holder of this Warrant promptly after each adjustment. Any dispute between the Issuer and the Holder of this Warrant with respect to the matters set forth in such certificate may, at the sole option of the Holder of this Warrant, be submitted to one of the national accounting firms currently known as the “big four” selected by the Holder, provided that the Issuer shall have ten (10) days after receipt of notice from such Holder of its selection of such firm to object thereto, in which case such Holder shall select another such firm and the Issuer shall have no such right of objection. The firm selected by the Holder of this Warrant as provided in the preceding sentence shall be instructed to deliver a written opinion as to such matters to the Issuer and such Holder within thirty (30) days after submission to it of such dispute. Such opinion shall be final and binding on the parties hereto. The Issuer shall pay all expenses in connection with such opinion.

ARTICLE 6 - Fractional Shares

No fractional shares of Warrant Stock will be issued in connection with any exercise hereof, but in lieu of such fractional shares, the Issuer shall at its option either (a) make a cash payment therefor equal in amount to the product of the applicable fraction multiplied by the Per Share Market Value then in effect or (b) issue one whole share in lieu of such fractional share.

ARTICLE 7

- Certain Exercise Restrictions

Notwithstanding anything to the contrary set forth in this Warrant, at no time may the Holder exercise this Warrant if the number of shares of Common Stock to be issued pursuant to such exercise would exceed, when aggregated with all other shares of Common Stock owned by such holder at such time, the number of shares of Common Stock which would result in such holder beneficially owning (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules thereunder) in excess of 9.99% of all of the Common Stock outstanding at such time; provided, however, that upon the Holder providing the Issuer with sixty-one (61) days' notice (pursuant to [Section 10.3](#) hereof) (the "Waiver Notice") that such holder would like to waive this [Section 7](#) with regard to any or all shares of Common Stock issuable upon exercise of this Warrant, this [Section 7](#) will be of no force or effect with regard to all or a portion of the Warrant referenced in the Waiver Notice.

ARTICLE 8

- Definitions

For the purposes of this Warrant, the following terms have the following meanings:

"[Board](#)" shall mean the Board of Directors of the Issuer.

"[Capital Stock](#)" means and includes (i) any and all shares, interests, participations or other equivalents of or interests in (however designated) corporate stock, including, without limitation, shares of preferred or preference stock, (ii) all partnership interests (whether general or limited) in any Person which is a partnership, (iii) all membership interests or limited liability company interests in any limited liability company, and (iv) all equity or ownership interests in any Person of any other type.

"[Articles of Incorporation](#)" means the Articles of Incorporation of the Issuer as in effect on the Original Issue Date, and as hereafter from time to time amended, modified, supplemented or restated in accordance with the terms hereof and thereof and pursuant to applicable law.

"[Closing Bid Price](#)" shall mean, on any particular date (i) the last trading price per share of the Common Stock on such date on the OTC Bulletin Board, the OTCQB, the OTCQX, or a national securities exchange on which the Common Stock is then listed, or if there is no such price on such date, then the last trading price on such exchange or quotation system on the date nearest preceding such date, or (ii) if the Common Stock is not listed then on the OTC Bulletin Board or any registered national stock exchange, the last trading price for a share of Common Stock in the over the counter market, as reported by the OTC Bulletin Board or in the National Quotation Bureau Incorporated or similar organization or agency succeeding to its functions of reporting prices) at the close of business on such date, or (iii) if the Common Stock is not then reported by the OTC Bulletin Board or the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), then the average of the "Pink Sheet" quotes for the relevant conversion period, as determined in good faith by the Holder, or (iv) if the Common Stock is not then publicly traded the fair market value of a share of Common Stock as determined by the Holder and reasonably acceptable to the Issuer.

"[Common Stock](#)" means the Common Stock, par value \$.001 per share, of the Issuer and any other Capital Stock into which such stock may hereafter be changed.

"[Governmental Authority](#)" means any governmental, regulatory or self-regulatory entity, department, body, official, authority, commission, board, agency or instrumentality, whether federal, state or local, and whether domestic or foreign.

"[Holders](#)" mean the Persons who shall from time to time own any Warrant. The term "Holder" means one of the Holders.

“Independent Appraiser” means a nationally recognized or major regional investment banking firm or firm of independent certified public accountants of recognized standing (which may be the firm that regularly examines the financial statements of the Issuer) that is regularly engaged in the business of appraising the Capital Stock or assets of corporations or other entities as going concerns, and which is not affiliated with either the Issuer or the Holder of any Warrant.

“Issuer” means Vistagen Therapeutics, Inc., a Nevada corporation, and its successors.

“Original Issue Date” means April 1, 2014.

“OTC Bulletin Board” means the over-the-counter electronic bulletin board.

“OTCQB” means a tier of the over-the-counter stock market of OTC Markets Group, Inc.

“OTCQX” means a tier of the over-the-counter stock market of OTC Markets Group, Inc.

“Person” means an individual, corporation, limited liability company, partnership, joint stock company, trust, unincorporated organization, joint venture, Governmental Authority or other entity of whatever nature.

“Per Share Market Value” means on any particular date (a) the last trading price on any national securities exchange on which the Common Stock is listed, or, if there is no such price, the Closing Bid Price for a share of Common Stock in the over-the-counter market, as reported by the OTC Bulletin Board, the OTCQB, the OTCQX, or in the National Quotation Bureau Incorporated or similar organization or agency succeeding to its functions of reporting prices) at the close of business on such date, or (b) if the Common Stock is not then reported by the OTC Bulletin Board or the National Quotation Bureau Incorporated (or similar organization or agency succeeding to its functions of reporting prices), then the average of the “Pink Sheet” quotes for the Common Stock on such date, or (c) if the Common Stock is not then publicly traded the fair market value of a share of Common Stock on such date as determined by the Board in good faith; provided, however, that the Holder, after receipt of the determination by the Board, shall have the right to select, jointly with the Issuer, an Independent Appraiser, in which case, the fair market value shall be the determination by such Independent Appraiser; and provided, further that all determinations of the Per Share Market Value shall be appropriately adjusted for any stock dividends, stock splits or other similar transactions during the period between the date as of which such market value was required to be determined and the date it is finally determined. The determination of fair market value shall be based upon the fair market value of the Issuer determined on a going concern basis as between a willing buyer and a willing seller and taking into account all relevant factors determinative of value, and shall be final and binding on all parties. In determining the fair market value of any shares of Common Stock, no consideration shall be given to any restrictions on transfer of the Common Stock imposed by agreement or by federal or state securities laws, or to the existence or absence of, or any limitations on, voting rights.

“Securities” means any debt or equity securities of the Issuer, whether now or hereafter authorized, any instrument convertible into or exchangeable for Securities or a Security, and any option, warrant or other right to purchase or acquire any Security. “Security” means one of the Securities.

“Securities Act” means the Securities Act of 1933, as amended, or any similar federal statute then in effect.

“Term” has the meaning specified in [Article 1](#) hereof.

“Trading Day” means (a) a day on which the Common Stock is traded on the OTC Bulletin Board or any national securities exchange, or (b) if the Common Stock is not traded on the OTC Bulletin Board or any national securities exchange, a day on which the Common Stock is quoted in the over-the-counter market as reported by the National Quotation Bureau Incorporated (or any similar organization or agency succeeding its functions of reporting prices); provided, however, that in the event that the Common Stock is not listed or quoted as set forth in (a) or (b) hereof, then Trading Day shall mean any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

“Warrant Price” initially means U.S. \$0.50, as such price may be adjusted from time to time as shall result from the adjustments specified in this Warrant, including [Article 4](#) hereof.

“Warrant Share Number” means at any time the aggregate number of shares of Warrant Stock which may at such time be purchased upon exercise of this Warrant, after giving effect to all prior adjustments and increases to such number made or required to be made under the terms hereof.

“Warrant Stock” means Common Stock issuable upon exercise of any Warrant or Warrants or otherwise issuable pursuant to any Warrant or Warrants.

ARTICLE 9

- Other Notices

Section 9.1 Other Notices

In case at any time:

9.1.1 the Issuer shall make any distributions to the holders of Common Stock; or

9.1.2 the Issuer shall authorize the granting to all holders of its Common Stock of rights to subscribe for or purchase any shares of Capital Stock or other rights; or

9.1.3 there shall be any reclassification of the Capital Stock of the Issuer; or

9.1.4 there shall be any capital reorganization by the Issuer; or

9.1.5 there shall be any (i) consolidation or merger involving the Issuer or (ii) sale, transfer or other disposition of all or substantially all of the Issuer’s property, assets or business; or

9.1.6 there shall be a voluntary or involuntary dissolution, liquidation or winding-up of the Issuer or any partial liquidation of the Issuer or distribution to holders of Common Stock;

then, in each of such cases, the Issuer shall give written notice to the Holder of the date on which (i) the books of the Issuer shall close or a record shall be taken for such dividend, distribution or subscription rights or (ii) such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding-up, as the case may be, shall take place. Such notice also shall specify the date as of which the holders of Common Stock of record shall participate in such dividend, distribution or subscription rights, or shall be entitled to exchange their certificates for Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding-up, as the case may be. Such notice shall be given at least twenty (20) days prior to the action in question and not less than twenty (20) days prior to the record date or the date on which the Issuer’s transfer books are closed in respect thereto. The Holder shall have the right to send two (2) representatives selected by it to each meeting, who shall be permitted to attend, but not vote at, such meeting and any adjournments thereof. This Warrant entitles the Holder to receive copies of all financial and other information distributed or required to be distributed to the holders of the Common Stock.

ARTICLE 10

- Miscellaneous

Section 10.1 Amendment and Waiver

Any term, covenant, agreement or condition in this Warrant may be amended, or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), by a written instrument or written instruments executed by the Issuer and the Holder.

Section 10.2 Governing Law

THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW.

Section 10.3 Notices

Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earlier of (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified for notice prior to 5:00 p.m., eastern time, on a Trading Day, (ii) the Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number specified for notice later than 5:00 p.m., eastern time, on any date and earlier than 11:59 p.m., eastern time, on such date, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service or (iv) actual receipt by the party to whom such notice is required to be given. The addresses for such communications shall be with respect to the Holder of this Warrant or of Warrant Stock issued pursuant hereto, addressed to such Holder at its last known address or facsimile number appearing on the books of the Issuer maintained for such purposes, or with respect to the Issuer, addressed to:

VistaGen Therapeutics, Inc.
343 Allerton Avenue
South San Francisco, CA 94080
Attention: Chief Executive Officer
Tel. No.: (650) 577-3600
with a copy to:

Disclosure Law Group
501 West Broadway, Suite 800
San Diego, California 92101
Attention: Daniel W. Rumsey
Tel No.: (619) 795-1134
Fax No.: (619) 330-2101

Copies of notices to the Holder shall be sent to _____. Any party hereto may from time to time change its address for notices by giving at least ten (10) days written notice of such changed address to the other party hereto.

Section 10.4 Warrant Agent

The Issuer may, by written notice to each Holder of this Warrant, appoint an agent having an office in New York, New York for the purpose of issuing shares of Warrant Stock on the exercise of this Warrant pursuant to [Section 2.2](#) hereof, exchanging this Warrant pursuant to [Section 2.4](#) hereof or replacing this Warrant pursuant to [Section 3.4](#) hereof, or any of the foregoing, and thereafter any such issuance, exchange or replacement, as the case may be, shall be made at such office by such agent.

Section 10.5 Remedies

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

Section 10.6 Successors and Assigns

This Warrant and the rights evidenced hereby shall inure to the benefit of and be binding upon the successors and assigns of the Issuer, the Holder hereof and (to the extent provided herein) the Holders of Warrant Stock issued pursuant hereto, and shall be enforceable by any such Holder or Holder of Warrant Stock.

Section 10.7 Modification and Severability

If, in any action before any court or agency legally empowered to enforce any provision contained herein, any provision hereof is found to be unenforceable, then such provision shall be deemed modified to the extent necessary to make it enforceable by such court or agency. If any such provision is not enforceable as set forth in the preceding sentence, the unenforceability of such provision shall not affect the other provisions of this Warrant, but this Warrant shall be construed as if such unenforceable provision had never been contained herein.

Section 10.8 Headings

Article and Section headings of this Warrant are for convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

[Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has executed this Warrant as of the day and year first above written.

VISTAGEN THERAPUTICS, INC.

By: _____
Name: _____
Title: _____

WARRANT EXERCISE FORM

VISTAGEN THERAPEUTICS, INC.

The undersigned _____, pursuant to the provisions of the within Warrant, hereby elects to purchase _____ shares of Common Stock of Vistagen Therapeutics, Inc. covered by the within Warrant.

Dated: _____

Signature _____

Address _____

Number of shares of Common Stock beneficially owned or deemed beneficially owned by the Holder on the date of Exercise: _____

The undersigned is an "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended.

The undersigned intends that payment of the Warrant Price shall be made as (check one):

Cash Exercise _____

Cashless Exercise _____

If the Holder has elected a Cash Exercise, the Holder shall pay the sum of \$_____ by certified or official bank check (or via wire transfer) to the Issuer in accordance with the terms of the Warrant.

If the Holder has elected a Cashless Exercise, a certificate shall be issued to the Holder for the number of shares equal to the whole number portion of the product of the calculation set forth below, which is _____.

$$X = Y - \frac{(A)(Y)}{B}$$

Where:

The number of shares of Common Stock to be issued to the Holder _____ ("X").

The number of shares of Common Stock purchasable upon exercise of all of the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being exercised _____ ("Y").

The Warrant Price _____ ("A").

The Per Share Market Value of one share of Common Stock _____ ("B").

ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ the within Warrant and all rights evidenced thereby and does irrevocably constitute and appoint _____, attorney, to transfer the said Warrant on the books of the within named corporation.

Dated: _____

Signature _____

Address _____

PARTIAL ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ the right to purchase _____ shares of Warrant Stock evidenced by the within Warrant together with all rights therein, and does irrevocably constitute and appoint _____, attorney, to transfer that part of the said Warrant on the books of the within named corporation.

Dated: _____

Signature _____

Address _____

FOR USE BY THE ISSUER ONLY:

This Warrant No. _____ canceled (or transferred or exchanged) this _____ day of _____, _____, shares of Common Stock issued therefor in the name of _____, Warrant No. _____ issued for _____ shares of Common Stock in the name of _____.