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

FORM 10-Q

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

For the quarterly period ended October 31, 2016

or

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

For the transition period from _____to_____.

Commission File Number: **000-55330**

OPIANT PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Nevada	**46-4744124**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
401 Wilshire Blvd., 12th Floor, Santa Monica, CA	**90401**
(Address of principal executive offices)	(Zip Code)

(424) 252-4756
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

Large Accelerated Filer	☐	Accelerated Filer ☐
Non-Accelerated Filer	☐ (Do not check if a smaller reporting company)	Smaller Reporting Company ☒

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

As of December 5, 2016, the registrant had 2,036,904 shares of common stock outstanding.

OPIANT PHARMACEUTICALS, INC.

Quarterly Report on Form 10-Q for the Period Ended October 31, 2016

TABLE OF CONTENTS

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q (this "Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue", negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management, any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

From time to time, forward-looking statements also are included in our other periodic reports on Forms 10-K and 8-K, in our press releases, in our presentations, on our website and in other materials released to the public. Any or all of the forward-looking statements included in this Report and in any other reports or public statements made by us are not guarantees of future performance and may turn out to be inaccurate. These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

CERTAIN TERMS USED IN THIS REPORT

When this Report uses the words "we," "us," "our," "Opiant," and the "Company," they refer to Opiant Pharmaceuticals, Inc. "SEC" refers to the Securities and Exchange Commission.

Item 1. Financial Statements (Unaudited).

Opiant Pharmaceuticals, Inc.
(formerly Lightlake Therapeutics Inc.)

Index to Financial Statements
October 31, 2016 and 2015

Opiant Pharmaceuticals, Inc.

Balance Sheets (Unaudited)
As of October 31, 2016 and July 31, 2016

	October 31, 2016	July 31, 2016
Assets		
Current assets		
Cash and cash equivalents	$ 1,184,568	$ 1,481,393
Accounts receivable	699,142	312,498
Prepaid insurance	69,878	62,404
Total current assets	1,953,588	1,856,295
Other assets		
Computer equipment (net of accumulated amortization of $1,958 at October 31, 2016 and $1,016 at July 31, 2016)	5,579	6,521
Patents and patent applications (net of accumulated amortization of $8,731 at October 31, 2016 and $8,388 at July 31, 2016)	18,719	19,062
Total assets	$ 1,977,886	$ 1,881,878
Liabilities and Stockholders' Deficit		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 641,454	$ 140,584
Accrued salaries and wages	3,696,049	3,681,250
Note payable	165,000	165,000
Deferred revenue	250,000	250,000
Total current liabilities	4,752,503	4,236,834
Deferred revenue	2,350,000	2,350,000
Total liabilities	7,102,503	6,586,834
Stockholders' deficit		
Common stock; par value $0.001; 1,000,000,000 shares authorized; 1,992,433 shares issued and outstanding at October 31, 2016 and July 31, 2016	1,992	1,992
Additional paid-in capital	56,659,361	56,478,394
Accumulated deficit	(61,785,970)	(61,185,342)
Total stockholders' deficit	(5,124,617)	(4,704,956)
Total liabilities and stockholders' deficit	$ 1,977,886	$ 1,881,878

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

Opiant Pharmaceuticals, Inc.
Statements of Operations (Unaudited)
For the three months ended October 31, 2016 and 2015

	For the Three Months Ended October 31,	
	2016	**2015**
Revenues		
Royalty and licensing revenue	$ 1,121,142	$ 120,000
	1,121,142	120,000
Operating expenses		
General and administrative	1,216,302	10,791,380
Research and development	441,834	429,450
Selling expenses	42,036	-
Total operating expenses	1,700,172	11,220,830
Loss from operations	(579,030)	(11,100,830)
Other expense		
Interest expense, net	(2,244)	(5,828)
Loss on foreign exchange	(19,354)	(3,359)
Total other expense	(21,598)	(9,187)
Loss before provision for income taxes	(600,628)	(11,110,017)
Provision for income taxes	-	-
Net loss	$ (600,628)	$ (11,110,017)
Loss per share of common stock:		
Basic and diluted	$ (0.30)	$ (6.00)
Weighted average common stock outstanding		
Basic and diluted	1,992,433	1,850,182

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

Opiant Pharmaceuticals, Inc.
Statements of Cash Flows (Unaudited)
For the three months ended October 31, 2016 and 2015

	For the Three Months Ended October 31, 2016	October 31, 2015
Cash flows used in operating activities		
Net loss	$ (600,628)	$ (11,110,017)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	1,285	343
Issuance of common stock for services	-	186,652
Stock based compensation from issuance of options	180,967	10,092,179
Changes in assets and liabilities:		
Decrease (increase) in prepaid expenses	(7,474)	15,435
Increase in accounts receivable	(386,644)	-
Increase (decrease) in accounts payable	500,870	(208,358)
Increase in accrued salaries and wages	14,799	275,607
Net cash used in operating activities	(296,825)	(748,159)
Cash flows provided by financing activities		
Payments from related parties on notes payable	-	151,191
Investment received in exchange for royalty agreement	-	618,000
Net cash provided by financing activities	-	769,191
Net increase (decrease) in cash and cash equivalents	(296,825)	21,032
Cash and cash equivalents, beginning of period	1,481,393	434,217
Cash and cash equivalents, end of period	$ 1,184,568	$ 455,249
Supplemental disclosure		
Interest paid during the period	$ -	$ -
Taxes paid during the period	$ -	$ -

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

Opiant Pharmaceuticals, Inc.

Notes to Unaudited Financial Statements
For the periods ended October 31, 2016 and 2015

1. Organization and Basis of Presentation

Opiant Pharmaceuticals, Inc. ("we", "our", or the "Company"), a Nevada corporation, is a specialty pharmaceutical company which develops pharmacological treatments for substance use, addictive and eating disorders. The Company was incorporated in the State of Nevada on June 21, 2005 as Madrona Ventures, Inc. and, on September 16, 2009, the Company changed its name to Lightlake Therapeutics Inc. On January 28, 2016, the Company again changed its name to Opiant Pharmaceuticals, Inc. The Company is a specialty pharmaceutical company developing opioid antagonist treatments for substance use, addictive and eating disorders. The Company also has developed a treatment to reverse opioid overdoses, which is now known as NARCAN® (naloxone hydrochloride) Nasal Spray. The Company's fiscal year end is July 31.

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, these condensed financial statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and such adjustments are of a normal recurring nature. These financial statements should be read in conjunction with the financial statements for the year ended July 31, 2016 and notes thereto and other pertinent information contained in the Form 10-K the Company has filed with the Securities and Exchange Commission (the "SEC").

The results of operations for the three months ended October 31, 2016 are not necessarily indicative of the results for the full fiscal year ending July 31, 2017.

2. Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. However, the Company has incurred significant losses, a working capital deficit as of October 31, 2016 of $2,798,915 and is dependent on generating sufficient revenues and/or obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to generate sufficient revenues and/or obtain the necessary funding it could cease operations as a new enterprise. This raises substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might result from this uncertainty.

At this time, the Company cannot provide investors with any assurance that it will be able to generate sufficient revenues and/or obtain sufficient funding from debt financing and/or the sale of its common stock, par value $0.001 per share (the "Common Stock"), and/or the sale of interests in the Company's prospective products and/or royalty transactions to meet its obligations over the next twelve months. The Company does not have any arrangements in place for any future financing. The Company may also seek to obtain short-term loans from its officers and directors to meet its short-term funding needs.

3. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates
The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements
The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new pronouncements that have been issued that might have a material impact on its financial position or results of operations.

4. Related Party Transactions

The Company uses office space provided by Michael Sinclair and Kevin Pollack free of charge.

5. Stockholders' Equity

Common Stock

During the three months ended October 31, 2016, the Company did not issue any shares of Common Stock.

Stock Options

As required by the Stock Compensation Topic, ASC 718, the Company measures and recognizes compensation expense for all share based payment awards made to the officers and directors based on estimated fair values at the grant date and over the requisite service period.

On October 6, 2016, the Company granted options to purchase a total of 50,000 shares of Common Stock exercisable on a cashless basis to two employees. These options all have an exercise price of $10.00 and a term of 10 years. The options vest as follows: 1,388 shares vest upon each of the first through twentieth month anniversaries of the grant date; 1,390 shares vest upon each of the twenty-first through thirty-sixth month anniversaries of the grant date. The Company has valued these options using the Black-Scholes option pricing model which resulted in a fair market value of $425,000, of which $49,261 has been recognized as expense for the three months ended October 31, 2016.

The Company also recognized stock based compensation expense of $131,706 in connection with vested options granted in prior periods.

The assumptions used in the valuation for all of the options granted for the three months ended October 31, 2016 and 2015 were as follows:

	2016	2015
Market value of stock on measurement date	$ 7.52 to 8.71	$ 7.00
Risk-free interest rate	0.88-1.75%	2.05%
Dividend yield	0%	0%
Volatility factor	114-348%	373%
Term	3.03-10.00 years	10 years

Stock option activity for three months ended October 31, 2016 and is presented in the table below:

	Number of Shares	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at July 31, 2016	4,635,000	8.79	7.39	2,731,250
Granted	50,000	10.00		
Outstanding at October 31, 2016	4,685,000	8.80	7.16	$ 2,053,125
Exercisable at October 31, 2016	4,285,833	8.37	7.56	$ 2,053,125

A summary of the status of the Company's non-vested options as of October 31, 2016 and changes during the three months ended October 31, 2016 are presented below:

Non-vested options	Number of Options	Weighted Average Grant Date Fair Value
Non-vested at July 31, 2016	90,833	$ 7.27
Granted	50,000	8.50
Vested	(4,167)	5.64
Non-vested at October 31, 2016	136,666	$ 7.83

At October 31, 2016, there was $681,767 of unrecognized compensation costs related to non-vested stock options.

Warrants

Warrant activity for the three months ended October 31, 2016 is presented in the table below:

	Number of Shares	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at July 31, 2016	1,215,385	$ 17.90	2.86	$ -
Expired	(63,100)	50.00		
Outstanding at October 31, 2016	1,152,285	$ 16.15	2.76	$ -
Exercisable at October 31, 2016	427,285	$ 18.09	5.46	$ -

6. Commitments

On December 18, 2014, the Company entered into a consulting agreement. Pursuant to the agreement, the consultant agreed to provide financial advisory services with regard to a licensing agreement. In exchange for these services, the Company incurred fixed fees of $225,000 and $75,000 during the years ended July 31, 2016 and 2015, respectively. The Company is also required to pay an additional fee equivalent to 3.75% of all amounts received by the Company pursuant to the licensing agreement in excess of $3,000,000, in perpetuity. Total fees incurred during the three months ended October 31, 2016 amounted to $42,036.

On November 19, 2015, the Company issued 14,327 shares of unregistered Common Stock upon the execution of a binding letter of intent to agree to negotiate and enter into an exclusive license agreement and collaboration agreement ("LOI") with a pharmaceutical company with certain desirable proprietary information. The shares issued in this transaction were valued using the stock price at issuance date and amounted to $120,347. Pursuant to the LOI, the Company is obligated to issue up to an additional 92,634 shares of unregistered Common Stock upon the occurrence of various milestones. A total of 3,582 shares have been issued as of July 31, 2016 due to achievement of certain milestones. Subsequent to October 31, 2016, the Company issued an additional 14,327 shares of the unregistered Common Stock pursuant to the LOI.

In October 2016, the Company in-licensed a heroin vaccine from Walter Reed Army Institute of Research. In consideration for the license the Company agreed to pay a royalty of 3% of net sales if the Company commercializes the vaccine, or 4% if the vaccine is sublicensed. In addition, the Company agreed to pay a minimum annual royalty of $10,000, as well as fixed payments of up to $715,672 if all of the specified milestones are met.

The Company leases office space in three locations. The Company's headquarters are located on the 12th Floor of 401 Wilshire Blvd., Santa Monica, CA 90401 for $5,056 per month. The lease with Premier Office Centers, LLC ("Premier"), as amended effective October 1, 2016, has an initial term of five months and shall automatically renew for successive six month periods unless terminated by the Company in writing 60 days prior to the termination date. Premier may terminate the lease for any reason upon 30 days' prior notice to the Company.

The Company also leases office space in Suite 100 of 1180 North Town Center Drive, Las Vegas, NV 89144 for $299 per month. The lease with Regus Management Group, LLC expires on July 31, 2017.

Additionally, the Company leases office space in Euston Tower, L32 to L34, 286 Euston Road, London, England, NW1 3DP for a total of €1,932 for the initial five month term ending March 31, 2017. The Company's lease is with Euston Tower Serviced Offices Ltd.

7. Subsequent Events

On November 2, 2016, the Company granted 1,000 restricted shares of Company's Common Stock, par value $0.001 per share to a consultant pursuant to a consulting agreement, dated October 12, 2016 for consulting services provided by the consultant.

On November 3, 2016, the Company received $524,142 in royalty payments due from Adapt Pharma Operations Limited ("Adapt") from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the third calendar quarter of 2016.

On November 4, 2016, the Company appointed Thomas T. Thomas to the Company's board of directors and granted Mr. Thomas options to purchase 35,000 shares of Common Stock exercisable on a cashless basis. Such options have an exercise price of $10.00, a term of 5 years and vest as follows: (i) 11,667 shares vest upon the uplisting of the Company to the NASDAQ Stock Market; (ii) 11,667 shares vest upon the cumulative funding of the Company of or in excess of $5,000,000 by institutional investors starting from November 4, 2016; and 11,666 shares vest upon the first submission of a New Drug Application to the U.S. Food and Drug Administration for one of Company's products by Company itself or a Company licensee.

On November 4, 2016, the Registrar of Companies of England and Wales certified that Opiant Pharmaceuticals UK Limited ("OPUK") was incorporated under the Companies Act of 2006 as a private company. OPUK is a wholly-owned subsidiary of the Company and Kevin Pollack, Chief Financial Officer, Director, Secretary and Treasurer of the Company, serves as Director of the OPUK.

On November 10, 2016, the Company issued 14,327 shares of unregistered Common Stock pursuant to the LOI described in Note 6.

On December 13, 2016, the Company entered into a Purchase and Sale Agreement (the "Purchase Agreement") with SWK Funding LLC ("SWK") pursuant to which the Company sold, and SWK purchased, the Company's right to receive, commencing on October 1, 2016, all Royalties arising from the sale by Adapt, pursuant to that certain License Agreement between the Company and Adapt, dated as of December 15, 2014, as amended (the "Adapt Agreement"), of NARCAN® (naloxone hydrochloride) Nasal Spray ("NARCAN") or any other Product, up to (i) $20,625,000 and then the Residual Royalty thereafter or (ii) $26,250,000, if Adapt has received in excess of $25,000,000 of cumulative Net Sales for any two consecutive fiscal quarters during the period from October 1, 2016 through September 30, 2017 from the sale of NARCAN (the "Earn Out Milestone"), and then the Residual Royalty thereafter. The Residual Royalty is defined in the Purchase Agreement as follows: (i) if the Earn Out Milestone is paid, then SWK shall receive 10% of all Royalties; provided, however, if no generic version of NARCAN is commercialized prior to the sixth anniversary of the Closing, then SWK shall receive 5% of all Royalties after such date, and (ii) if the Earn Out Milestone is not paid, then SWK shall receive 7.86% of all Royalties; provided, however, that if no generic version of NARCAN is commercialized prior to the sixth anniversary of the Closing, then SWK shall receive 3.93% of all Royalties after such date. Under the Purchase Agreement, the Company received an upfront purchase price of $13,750,000 at Closing, and will receive an additional $3,750,000 if the Earn Out Milestone is achieved (the "Purchase Price"). The Purchase Agreement also grants SWK (i) the right to receive the statements produced by Adapt pursuant to Section 5.6 of the Adapt Agreement and (ii) the right, to the extent possible under the Purchase Agreement, to cure any breach of or default under any Product Agreement by the Company. Under the Purchase Agreement, the Company granted SWK a security interest in the Purchased Assets in the event that the transfer contemplated by the Purchase Agreement is held not to be a sale. The Purchase Agreement also contains other representations, warranties, covenants and indemnification obligations that are customary for a transaction of this nature. Absent fraud by the Company, the Company's indemnification obligations under the Purchase Agreement shall not exceed, individually or in the aggregate, an amount equal to the Purchase Price plus an annual rate of return of 12% (compounded monthly) as of any date of determination, with a total indemnification cap not to exceed 150% of the Purchase Price, less all Royalties received by SWK, without duplication, under the Purchase Agreement prior to and through resolution of the applicable claim. All capitalized terms not otherwise defined in this paragraph shall have the meanings ascribed to such terms in the Purchase Agreement.

On December 15, 2014, the Company and Adapt entered into the Adapt Agreement which provides Adapt with a global license to develop and commercialize the Company's intranasal naloxone opioid overdose reversal treatment ("Product") in exchange for the Company receiving potential development and sales milestone payments of more than a total of $55 million plus up to double-digit royalties. On December 13, 2016, the Company and Adapt entered into Amendment No. 1 to the Adapt Agreement (the "Amendment") which amends the terms of the Adapt Agreement relating to the grant of a commercial sublicense outside of the Unites States and diligence efforts for commercialization of the Product. Under the terms of the Amendment, Adapt is required to use commercially reasonable efforts to commercialize the Product in the United States. In the event that Adapt wishes to grant a commercial sublicense to a third party in the European Union or the United Kingdom, the Company and Adapt have agreed to negotiate an additional amendment to the Adapt Agreement to include reduced financial terms with respect to the commercial sublicense in such territory. Under such terms, the Company would receive an escalating double-digit percentage of all net revenue received by Adapt from a commercial sublicensee in the European Union or the United Kingdom. Net revenue received by Adapt from a commercial sublicensee in European Union or the United Kingdom would be included in determining sales-based milestones due to the Company.

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

The following discussion and analysis of the results of operations and financial condition for the three and nine months ended October 31, 2016 and 2015 and should be read in conjunction with our financial statements, and the notes to those financial statements that are included elsewhere in this Report.

Overview

Opiant Pharmaceuticals, Inc. ("we", "our" or the "Company"), a Nevada corporation, is a specialty pharmaceutical company which develops pharmacological treatments for substance use, addictive and eating disorders. The Company was incorporated in the State of Nevada on June 21, 2005 as Madrona Ventures, Inc. and, on September 16, 2009, the Company changed its name to Lightlake Therapeutics Inc. On January 28, 2016, the Company again changed its name to Opiant Pharmaceuticals, Inc. The Company's fiscal year end is July 31.

The Company's strategy is to develop pharmacological treatments for substance use, addictive and eating disorders based on the Company's expertise using opioid antagonists. The Company has worked on developing a treatment for reversing opioid overdoses in collaboration with the National Institute on Drug Abuse ("NIDA"), part of the National Institutes of Health ("NIH"). This treatment, now known as NARCAN® (naloxone hydrochloride) Nasal Spray, was approved by the U.S. Food and Drug Administration ("FDA") in November 2015, and is marketed by Adapt Pharma Operations Limited ("Adapt"), a wholly owned subsidiary of Adapt Pharma Limited, an Ireland-based pharmaceutical company.

The Company has not consistently attained profitable operations and has historically depended upon obtaining sufficient financing to fund its operations. The Company anticipates if revenues are not sufficient then additional funding will be required in the form of debt financing and/or equity financing from the sale of the Company's common stock, par value $0.001 per share (the "Common Stock"), and/or financings from the sale of interests in the Company's prospective products and/or royalty transactions. However, the Company may not be able to generate sufficient revenues or raise sufficient funding to fund the Company's operations.

The Company has not had a bankruptcy, receivership or similar proceeding. The Company has not had material reclassifications, mergers, consolidations, or purchase or sale of a significant amount of assets not in the ordinary course of business. The Company is required to comply with all regulations, rules and directives of governmental authorities and agencies applicable to the clinical testing and manufacturing and sale of pharmaceutical products.

In December 2014, the Company effected a one-for-one hundred reverse stock split of its Common Stock (the "1:100 Reverse Stock Split") which decreased the number of shares of Common Stock issued and outstanding from approximately 182.0 million shares to approximately 1.82 million shares. Unless otherwise noted, all share amounts listed in this Report have been retroactively adjusted for the 1:100 Reverse Stock Split as if such stock split occurred prior to the issuance of such shares. Impacted amounts include but are not limited to shares of Common Stock issued and outstanding, stock options, shares reserved, exercise prices of warrants or options, and loss per share. There was no impact on preferred or Common Stock authorized resulting from the 1:100 Reverse Stock Split.

The Company developed NARCAN® (naloxone hydrochloride) Nasal Spray, a treatment to reverse opioid overdoses, which was conceived, licensed, developed, approved by the FDA and commercialized in less than three years. The Company plans to replicate this relatively low cost, successful business strategy primarily through developing nasal opioid antagonists in the field of developing pharmacological treatments for substance use, addictive, and eating disorders. The Company aims to identify and progress drug development opportunities with the potential to file additional New Drug Applications ("NDA") with the FDA within three years. The Company also plans to identify and progress drug development opportunities with potentially larger markets, potentially larger addressable patient populations and greater revenue potential. In addition, the Company plans to invest in long-term development opportunities by identifying early stage product candidates with novel modes of action.

The Company's current pipeline of product candidates includes a treatment for Binge Eating Disorder ("BED"), a treatment for Bulimia Nervosa ("BN"), a treatment for Cocaine Use Disorder ("CocUD") and a heroin vaccine. The Company also is focused on other treatment opportunities.

Principal Products or Services and Markets

Opioid Overdose Reversal

Naloxone is a medicine that can reverse the overdose of prescription and illicit opioids and that historically has been available through injection. The Company's intranasal delivery system of naloxone could widely expand its availability and use in preventing opioid overdose deaths.

On April 16, 2013, the Company entered into an agreement and subsequently received funding from an investor, Potomac Construction Limited ("Potomac"), in the amount of $600,000 for the research, development, marketing and commercialization of a product relating to the Company's treatment to reverse opioid overdoses (the "Opioid Overdose Reversal Treatment Product"). In exchange for this funding, Potomac acquired a 6.0% interest (the "6.0% Potomac Interest") in the "OORT Net Profit" generated from the product in perpetuity. "OORT Net Profit" is defined as any pre-tax profits received by the Company that was derived from the sale of the Opioid Overdose Reversal Treatment Product less any and all expenses incurred by and payments made by the Company in connection with the Opioid Overdose Reversal Treatment Product, including but not limited to an allocation of Company overhead based on the proportionate time, expenses and resources devoted by the Company to product-related activities, which allocation shall be determined in good faith by the Company. Potomac also has rights with respect to the 6.0% Potomac Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold.

On May 30, 2013, the Company entered into an agreement with Potomac and subsequently received additional funding totaling $150,000 for the research, development, marketing and commercialization of the Opioid Overdose Reversal Treatment Product. In exchange for this funding, Potomac acquired an additional 1.5% interest (the "1.5% Potomac Interest") in the OORT Net Profit generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Potomac also has rights with respect to the 1.5% Potomac Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold.

On March 14, 2014, the Company filed U.S. Provisional Application No. 61/953,379. This application addresses delivery devices and methods of treating opioid overdoses through the administration of intranasal naloxone.

On May 15, 2014, the Company entered into an agreement and subsequently received funding from an investor, Ernst Welmers ("Welmers"), in the amount of $300,000 for use by the Company for any purpose. In exchange for this funding, the Welmers acquired a 1.5% interest (the "1.5% Welmers Interest") in the OORT Net Profit generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Welmers also has rights with respect to the 1.5% Welmers Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold. If the Opioid Overdose Reversal Treatment Product was not approved by the FDA by May 15, 2016, Welmers would have had a 60 day option to exchange its 1.5% Welmers Interest for 37,500 shares of Common Stock of the Company. The Opioid Overdose Reversal Treatment Product was approved by the FDA on November 18, 2015, and, as a result, Welmers did not realize the option to exchange its 1.5% Welmers Interest for shares of Common Stock of the Company. During the year ended July 31, 2016, the Company recognized $300,000 as revenue because Welmer's option to receive the shares of Common Stock was not realized, and the research and development work related to the Opioid Overdose Reversal Treatment Product was completed as of July 31, 2016.

On July 9, 2014, the Company filed U.S. Provisional Application No. 62/022,268 with respect to the Company's treating opioid overdoses through the administration of intranasal naloxone.

On July 22, 2014, the Company received a $3,000,000 commitment from a foundation (the "Foundation") which later assigned its interest to Valour Fund, LLC ("Valour"), from which the Company had the right to make capital calls from the Foundation for the research, development, marketing, commercialization and any other activities connected to the Opioid Overdose Reversal Treatment Product, certain operating expenses and any other purpose consistent with the goals of the Foundation. In exchange for funds invested by the Foundation, Valour currently owns a 6.0% interest in the OORT Net Profit (the "6.0% Valour Interest") generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Valour also has rights with respect to the 6.0% Valour Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold. Additionally, the Company may buy back, in whole or in part, the 6.0% Valour Interest within 2.5 years or after 2.5 years of the July 22, 2014 initial investment date at a price of two times or 3.5 times, respectively, the relevant investment amount represented by the interests to be bought back. If the Opioid Overdose Reversal Treatment Product was not approved by the FDA or an equivalent body in Europe for marketing and was not actually marketed by July 22, 2016, the Foundation would have had a 60 day option to receive shares of the Company's Common Stock in lieu of the 6.0% Valour Interest in the Opioid Overdose Reversal Treatment Product at an exchange rate of 10 shares for every dollar of its investment. On July 28, 2014, the Company received an initial investment of $111,470 from the Foundation in exchange for a 0.22294% interest. On August 13, 2014, September 8, 2014, November 13, 2014 and February 17, 2015, the Company made capital calls of $422,344, $444,530, $1,033,614 and $988,042, respectively, from the Foundation in exchange for 0.844687%, 0.888906%, 2.067228% and 1.976085% interests, respectively, in the OORT Net Profit. The Opioid Overdose Reversal Treatment Product was approved by the FDA on November 18, 2015, and, as a result, the Foundation did not realize the option to exchange its 6.0% Valour Interest for shares of Common Stock of the Company. During the year ended July 31, 2016, the Company recognized $3,000,000 as revenue because the option to receive the shares of Common Stock was not realized, and the research and development work related to the Opioid Overdose Reversal Treatment Product was completed as of July 31, 2016.

On September 9, 2014, the Company entered into an agreement with Potomac and subsequently received additional funding from Potomac in the amount of $500,000 for use by the Company for any purpose. In exchange for this funding, Potomac acquired an additional 0.98% interest in the OORT Net Profit (the "September 2014 0.98% Potomac Interest") generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Potomac also has rights with respect to the 0.98% Potomac Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold. Additionally, the Company may buy back, in whole or in part, the September 2014 0.98% Potomac Interest (i) within 2.5 years or (ii) after 2.5 years, but no later than four years, of the September 9, 2014 initial investment date, at a price equal to two times or 3.5 times, respectively, the relevant investment amount represented by the interests to be bought back. If the Opioid Overdose Reversal Treatment Product was not introduced to the market and not approved by the FDA or an equivalent body in Europe and not marketed within 24 months of the September 9, 2014 initial investment date, Potomac would have had a 60 day option to exchange the September 2014 0.98% Potomac Interest for 50,000 shares of Common Stock of the Company. The Opioid Overdose Reversal Treatment Product was approved by the FDA on November 18, 2015 and, as a result, Potomac did not realize the option to exchange the September 2014 0.98% Potomac Interest for 50,000 shares of Common Stock of the Company. During the year ended July 31, 2016, the Company recognized $500,000 as revenue because the option to receive the shares of Common Stock was not realized, and the research and development work related to the Opioid Overdose Reversal Treatment Product was completed as of July 31, 2016.

On October 31, 2014, the Company entered into an agreement with Potomac and subsequently received additional funding from Potomac in the amount of $500,000 for use by the Company for any purpose. In exchange for this funding, Potomac acquired an additional 0.98% interest in the OORT Net Profit (the "October 2014 0.98% Potomac Interest") generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Potomac also has rights with respect to its October 2014 0.98% Potomac Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold. Additionally, the Company may buy back, in whole or in part, the October 2014 0.98% Potomac Interest from Potomac (i) within 2.5 years or (ii) after 2.5 years, but no later than four years, of the October 31, 2014 investment date at a price equal to two times or 3.5 times, respectively, the relevant investment amount represented by the interests to be bought back. If the Opioid Overdose Reversal Treatment Product was not introduced to the market and was not approved by the FDA or an equivalent body in Europe and not marketed by October 31, 2016, Potomac would have had a 60 day option to exchange its October 2014 0.98% Potomac Interest for 50,000 shares of Common Stock of the Company. The Opioid Overdose Reversal Treatment Product was approved by the FDA on November 18, 2015 and, as a result, Potomac did not realize the option to exchange its October 2014 0.98% Potomac Interest for 50,000 shares of Common Stock of the Company. During the year ended July 31, 2016, the Company recognized $500,000 as revenue because the option to receive the shares of Common Stock was not realized, and the research and development work related to the Opioid Overdose Reversal Treatment Product was completed as of July 31, 2016.

On December 15, 2014, the Company and Adapt entered into a license agreement (the "Adapt Agreement"). The Adapt Agreement has no set duration but may be terminated, among other ways, by Adapt in its sole discretion, either in its entirety or in respect of one or more countries, at any time by providing 60 days prior notice to the Company. Pursuant to the Adapt Agreement, Adapt received from the Company a global license to develop and commercialize the Company's intranasal naloxone Opioid Overdose Reversal Treatment Product. In exchange for licensing its treatment to Adapt, the Company could receive total potential regulatory and sales milestone payments of more than $55 million, plus up to double-digit percentage royalties on net sales. The Adapt Agreement provided for an upfront and nonrefundable payment of $500,000, and monthly payments for up to one year for participation in joint development committee calls and the production and submission of an initial development plan. The Adapt Agreement also required the Company to contribute $2,500,000 of development, regulatory, and commercialization costs, some of which was credited for costs incurred by the Company prior to the execution of the Adapt Agreement. The Company fulfilled its requirement to contribute $2,500,000 during the three months ended October 31, 2015. Upon termination of the Adapt Agreement, (i) all rights granted by the Company thereunder shall immediately terminate; (ii) Adapt shall grant the Company an exclusive license, with the right to grant multiple tiers of sublicenses, under the "Adapt Applied Patents", "Adapt Applied Know-How", and Adapt's rights under the "Joint Patents" and "Joint Know-How to Exploit Products" (as such terms in quotation marks are defined in the Adapt Agreement); (iii) Adapt shall assign to the Company, at Adapt's expense, all of its right, title, and interest in and to all "Regulatory Approvals" applicable to any "Product", and all "Regulatory Documentation" specific to such Regulatory Approvals then owned by Adapt or any of its "Affiliates", and shall use "Commercially Reasonable Efforts" to cause any and all "Sublicensees" (as such terms in quotation marks are defined in the Adapt Agreement) to assign to the Company any such Regulatory Approvals and related Regulatory Documentation then owned by such Sublicensee; (iv) Adapt shall grant the Company an exclusive, license and right of reference, with the right to grant multiple tiers of sublicenses and further rights of reference, under all Regulatory Documentation (including any Regulatory Approvals) then owned or "Controlled" by Adapt or any of its Affiliates that are not assigned to the Company pursuant to (iii) above that are necessary or useful for the Company or any of its Affiliates or sublicensees to "Exploit" any Product and any improvement to any of the foregoing, as such Regulatory Documentation exists as of the effective date of such termination of the Adapt Agreement and Adapt shall use Commercially Reasonable Efforts to cause its "Commercial Sublicensees" (as such terms in quotation marks are defined in the Adapt Agreement) to grant comparable rights under all Regulatory Documentation (including any Regulatory Approvals) then owned or Controlled by such Commercial Sublicensees; (v) at the Company's request, assign to the Company all right, title, and interest of Adapt in each "Product Trademark" (as defined in the Adapt Agreement) at Adapt's expense; and (vi) at the Company's request, assign to the Company all right, title, and interest in and to the "Development Data" (as defined in the Adapt Agreement) that Adapt is not precluded from disclosing or assigning to the Company pursuant to the terms of any applicable agreement with a "Third Party" (as defined in the Adapt Agreement); *provided*, *however*, that Adapt shall use Commercially Reasonable Efforts (which shall not include any obligation to expend money) to obtain the consent of the applicable Third Party for such disclosure and/or assignment in the event that Adapt is so precluded.

On February 17, 2015, the Company announced that Adapt received "Fast Track" designation by the FDA.

On April 22, 2015, the Company announced that Adapt successfully completed a pharmacokinetic study of intranasal naloxone. This study had been designed and conducted by the Company in collaboration with NIDA. The pharmacokinetic study compared intranasal naloxone with an injectable formulation of naloxone. The study met its objectives and demonstrated the intranasal formulation of naloxone delivered the targeted naloxone dose as expected.

On June 3, 2015, the Company announced that Adapt commenced a rolling submission of a NDA to the FDA for a nasal spray formulation of naloxone. A rolling submission allows completed portions of the NDA to be submitted and reviewed by the FDA on an ongoing basis.

On July 29, 2015, the Company announced that Adapt submitted a NDA to the FDA for NARCAN® (naloxone hydrochloride) Nasal Spray, an investigational drug intended to treat opioid overdose.

On November 18, 2015, the FDA approved NARCAN® (naloxone hydrochloride) Nasal Spray for the emergency treatment of known or suspected opioid overdose, to be marketed by Adapt.

On December 8, 2015, the Company entered into an agreement with Potomac to receive $500,000 for use by the Company for any purpose, which $500,000 was invested by December 18, 2015. In exchange for this funding, Potomac acquired an additional 0.75% interest in the OORT Net Profit (the "0.75% Potomac Interest") generated from the Opioid Overdose Reversal Treatment Product in perpetuity. Potomac also has rights with respect to its 0.75% Potomac Interest if the Opioid Overdose Reversal Treatment Product is sold or the Company is sold. Additionally, the Company may buy back, in whole or in part, the 0.75% Potomac Interest, from Potomac (i) within 2.5 years or (ii) after 2.5 years, but no later than four years, of the December 8, 2015 initial investment date, at a price of two times or 3.5 times, respectively, the relevant investment amount represented by the interests to be bought back. Such buyback can be for a portion of the 0.75% Potomac Interest rather than for the entire interest. Potomac also had an option to invest an additional $1,000,000 by February 29, 2016 for use by the Company for any purpose in exchange for a 1.50% interest in the OORT Net Profit. If such investment were made, then Potomac also would have had rights with respect to its 1.50% interest if the Opioid Overdose Reversal Treatment Product was sold or the Company was sold. This investor option expired unexercised. During the year ended July 31, 2016, the Company recognized $500,000 as revenue because the investment did not contain any option to exchange the 0.75% Potomac Interest for shares of Common Stock of the Company, and the research and development work related to the Opioid Overdose Reversal Treatment Product was completed as of July 31, 2016.

On December 15, 2015, the Company announced that it received a $2 million milestone payment from Adapt. This milestone payment was triggered by the FDA approval of NARCAN® (naloxone hydrochloride) Nasal Spray.

On January 19, 2016, the Company announced that Adapt announced that it has reached an agreement to facilitate the purchase of NARCAN® (naloxone hydrochloride) Nasal Spray by offering its discounted public interest price to 62,000 agencies in state and local government and the non-profit sector. Adapt, in partnership with the National Association of Counties, National Governors Association, National League of Cities, and United States Conference of Mayors, will offer NARCAN® (naloxone hydrochloride) Nasal Spray at a discounted public interest price of $37.50 per dose ($75 for a 2 pack carton) through the U.S. Communities Purchasing Alliance and Premier, Inc. Adapt's discounted public interest price has been available to qualifying group purchasers, such as law enforcement, firefighters, first responders, departments of health, local school districts, colleges and universities and community-based organizations.

On January 27, 2016, the Company announced that Adapt announced two national programs at the Clinton Health Matters Initiative Activation Summit to assist in efforts to address the growing risk of opioid overdose among American high school students. Adapt offered a free carton of NARCAN® (naloxone hydrochloride) Nasal Spray to all high schools in the U.S. through the state departments of education. This program will collaborate with the Clinton Health Matters Initiative, an initiative of the Clinton Foundation, as part of its work to scale naloxone access efforts nationally. In addition, Adapt has provided a grant to the National Association of School Nurses (NASN) to support their educational efforts concerning opioid overdose education materials.

On March 7, 2016, the Company announced the receipt of a $2.5 million milestone payment from Adapt. This milestone payment was triggered by the first commercial sale of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S.

On April 29, 2016, the Company received $105,097 in royalty payments due from Adapt from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the first quarter of Adapt's fiscal year.

On August 8, 2016, the Company received $234,498 in royalty payments due from Adapt from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the second quarter of Adapt's fiscal year.

On May 6, 2016, the Company announced that Adapt submitted a new drug submission (NDS) for NARCAN® (naloxone hydrochloride) Nasal Spray to Health Canada.

On September 15, 2016, the Company and Adapt received notice from TEVA Pharmaceuticals USA, Inc. ("TEVA"), pursuant to 21 U.S.C. § 355(j)(2)(B)(ii) (the "Notice Letter"), that TEVA had filed an Abbreviated New Drug Application ("ANDA") with the FDA seeking regulatory approval to market a generic version of NARCAN® (naloxone hydrochloride) Nasal Spray before the expiration of U.S. Patent No. 9,211,253 (the "'253 patent"). The '253 patent is listed with respect to NARCAN® (naloxone hydrochloride) Nasal Spray in the FDA's Approved Drug Products with Therapeutic Equivalents Evaluation publication (commonly referred to as the "Orange Book") and expires on March 16, 2035. TEVA's Notice Letter asserts that its generic product will not infringe the '253 patent or that the '253 patent is invalid or unenforceable. The Company and Adapt have been evaluating TEVA's Notice Letter. The Company has full confidence in its intellectual property portfolio related to NARCAN® (naloxone hydrochloride) Nasal Spray and expects that the '253 patent will be vigorously defended from any infringement. The Company may receive additional Notice Letters from other companies seeking to market generic versions of NARCAN® (naloxone hydrochloride) Nasal Spray in the future and, after evaluation, the Company may commence patent infringement lawsuits against such companies.

On October 5, 2016, the Company announced that Health Canada approved Adapt's naloxone hydrochloride nasal spray to treat opioid overdose, to be marketed as NARCAN® Nasal Spray.

On October 21, 2016, Adapt, Adapt Pharma Inc. and the Company (collectively, the "Plaintiffs") filed a complaint for patent infringement against TEVA and TEVA Pharmaceuticals Industries Ltd. (collectively, the "Defendants") in the U.S. District Court for the District of New Jersey arising from TEVA's U.S.'s filing of the ANDA with the FDA. The Plaintiffs seek, among other relief, an order that the effective date of FDA approval of the ANDA be a date later than the expiration of the '253 patent, as well as equitable relief enjoining the Defendants from infringing the '253 patent and monetary relief as a result of any such infringement. The Company maintains full confidence in its intellectual property portfolio related to NARCAN® (naloxone hydrochloride) Nasal Spray and expects that the '253 patent will continue to be vigorously defended from any infringement.

On October 27, 2016, the Company announced that its patent for NARCAN® Nasal Spray is now listed in the FDA publication, Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book, patent number 9468747.

Binge Eating Disorder

The Company is developing a treatment for BED. BED is defined in the American Psychiatric Association's ("APA") fifth edition of the Diagnostic and Statistical Manual of Mental Disorders ("DSM-5") chapter on feeding and eating disorders as a diagnosis for individuals who experience persistent, recurrent episodes of overeating, marked by loss of control and significant clinical distress. DSM-5 is used by clinicians and researchers to diagnose and classify mental disorders in order to improve diagnoses, treatment and research.

BED is the most common eating disorder in the U.S. Approximately 8 million Americans are diagnosed with BED and it is correlated with obesity. In addition, according to the APA, BED is associated with significant physical and psychological problems."

In 2015, Shire PLC received FDA approval to use Vyvanse to treat BED in adults. The Company considers naloxone to be a potentially compelling drug for the pharmacological treatment of BED. It has a well-known safety profile and has the potential to block the reward that patients experience from bingeing.

On May 23, 2013, the Company presented the results of the Company's Phase II clinical trial of its nasal spray treatment for BED at the APA Annual Meeting in San Francisco.

On December 17, 2013, the Company entered into an agreement with Potomac and subsequently received additional funding from Potomac totaling $250,000 for use by the Company for any purpose. In exchange for this funding, Potomac acquired a 0.5% interest in the Company's BED treatment product (the "BED Treatment Product") and 0.5% of the BED Net Profit in perpetuity (the "2013 0.5% Potomac Interest"). "BED Net Profit" is defined as the pre-tax profit generated from the BED Treatment Product after the deduction of all expenses incurred by and payments made by the Company in connection with the BED Treatment Product, including but not limited to an allocation of Company overhead. If the BED Treatment Product is not approved by the FDA by December 17, 2016, Potomac will have a 60 day option to exchange its entire 2013 0.5% Potomac Interest for 31,250 shares of Common Stock of the Company.

On September 17, 2014, the Company entered into an agreement with Potomac and subsequently received funding totaling $500,000 for use by the Company for any purpose. In exchange for this funding, Potomac acquired an additional 1.0% interest in the Company's BED Treatment Product and 1.0% of the BED Net Profit generated from the BED Treatment Product in perpetuity (the "1.0% Potomac Interest"). If the BED Treatment Product is not approved by the FDA by September 17, 2017, Potomac will have a 60 day option to exchange its entire 1.0% Potomac Interest for 62,500 shares of Common Stock of the Company.

On July 20, 2015, the Company entered into an agreement with Potomac and subsequently received additional funding from Potomac in the amount of $250,000 for use by the Company for any purpose. In exchange for this funding, the Potomac acquired an additional 0.50% interest in the BED Net Profit (the "2015 0.5% Potomac Interest") generated from the BED Treatment Product in perpetuity. Potomac also has rights with respect to the 2015 0.5% Potomac Interest if the BED Treatment Product is sold or the Company is sold. If the product is not introduced to the market and not approved by the FDA or an equivalent body in Europe and not marketed by July 20, 2018, Potomac will have a 60 day option to exchange the 2015 0.5% Potomac Interest for 25,000 shares of Common Stock of the Company.

The Company now aims to collaborate with other parties and progress its drug development program for BED and plans to initiate a BED study in 2017.

Bulimia Nervosa

Bulimia Nervosa ("BN") is an eating disorder characterized by binging and purging, and is most common in young women. BN is thought to be significantly under-recognized. According to Hudson, JI, Hirpi, E, Pope, HG, et al. (The Prevalence and Correlates of Eating Disorders in National Comorbidity Survey Replication. Biol Psychiatry. 2—7;61:348-358), in the U.S., the lifetime prevalence of BN is 1% to 2%. Patients with BN have a 94.5% comorbidity with other psychiatric illnesses. For example, approximately 50% have major depressive episodes, and 33.7% engage in substance abuse. In extreme cases patients can develop life-threatening complications such as acute pancreatitis from repeat purging.

The only medication currently approved for BN is Prozac (fluoxetine). Only with a high dose do patients have a reduction in binge eating of 67% and vomiting of 56%. Only 50% of patients respond to this treatment.

The Company plans to evaluate the use of a nasal opioid antagonist to treat this condition. The Company aims to initiate a study before May 1, 2017.

Cocaine Use Disorder

The Company has been conducting pilot studies to explore the potential of a nasal opioid antagonist as a treatment for CocUD. There are approximately 1.5 million current cocaine users in the U.S., as reported by The Substance Abuse and Mental Health Services Administration (SAMHSA). There are no FDA-approved pharmacological treatments for CocUD.

Cocaine is a strong central nervous system stimulant that increases levels of the neurotransmitter dopamine in brain circuits regulating pleasure and movement, with the opioid system strongly linked to the dopamine reward circuitry. The extraordinary cost of cocaine addiction, financially, medically and socially, is directly related to relapse: up to 80% of addicted individuals relapse within six months of treatment.

On December 23, 2015, the Company announced that an opioid antagonist drug will be tested in patients with CocUD at the University of Pennsylvania. The study has been conducted by the Department of Psychiatry at the Perelman School of Medicine at the University of Pennsylvania, and began recruitment in December 2015. Funded by a Medications Development Centers of Excellence Cooperative (U54) Program from NIDA, the study uses functional Magnetic Resonance Imaging (fMRI) to better understand the impact of an opioid antagonist drug in the brain of patients with CocUD. Using an opioid antagonist and blocking the downstream release of dopamine through blocking the release of endorphins may reduce the reward patients receive from cocaine use.

Heroin Vaccine

Opioid addiction is a major global health issue, particularly in the U.S., where opioid painkiller abuse and subsequent addiction has become widespread and driven the increase in prevalence. As these painkillers have become more expensive, undergone tighter controls for distribution, and abuse deterrent formulations have become available, there has been an increase in heroin use, which is cheaper and often easier to obtain than painkillers.

Current FDA-approved treatments for heroin addiction are based on methadone-based and buprenorphine-based substitution therapies, and the use of naltrexone depot injections. With respect to these substitution therapies, patients still take opioid-based treatments, which for many is undesirable, and there is frequently diversion and misuse of these treatments amongst addicts. With respect to naltrexone depot injections, patients must undergo detoxification before initiating treatment, which for several patients severely limits compliance and willingness to undergo this method of treatment. Therefore, being able to provide a vaccine to patients that potentially provides specific immunity against heroin and its metabolites without the need for prior detoxification and enabling patients to remain opioid-free is an attractive solution.

In October 2016, the Company in-licensed a heroin vaccine from Walter Reed Army Institute of Research ("Walter Reed"). This is an early stage pre-clinical asset, based on adjuvant technology, and requires further pre-clinical research before human testing. The Company plans to work alongside Walter Reed scientists to advance the program into the clinic and to determine whether the product is viable in a heroin addict population.

Other Activities

On December 1, 2014, the Company and Aegis Therapeutics, LLC ("Aegis"), entered into a Material Transfer, Option and Research License Agreement (the "Aegis Agreement") that provides the Company with an exclusive royalty-free research license for a period of time to Aegis' proprietary delivery enhancement and stabilization agents, including Aegis' ProTek® and Intravail® technologies (collectively, the "Technology") to enable the Company to conduct a feasibility study of opioid antagonists when used with the Technology (the "Study"). During this period of time, the Company may also evaluate its interest in having an exclusive license to the Technology for use with opioid antagonists to treat, diagnose, predict, detect or prevent any disease, disorder, state, condition or malady in humans (the "Possible License"). Aegis has granted the Company an exclusive option to obtain the Possible License for a certain period after the study is completed. In consideration of the license granted to the Company pursuant to the Aegis Agreement, the Company is required to pay to Aegis a nonrefundable study fee.

On October 6, 2015, the Company entered into an amendment to the Aegis Agreement. This amendment had an effective date of May 19, 2015 and allowed the Company to evaluate the Technology through August 17, 2015. The amendment also provided an opportunity for the Company to elect to further extend the period of time during which the Company could evaluate the Technology through February 13, 2016. In exchange for electing to further extend this period of time, the Company paid Aegis $75,000 and issued 13,697 shares of the Company's Common Stock. The shares issued in this transaction were using the stock price at issuance date and amounted to $106,152. During February 2016, the Company elected to further extend the period of time during which the Company could evaluate Aegis' Technology through August 11, 2016. During February 2016, the Company paid Aegis $75,000 and issued 10,746 shares of the Company's Common Stock. The shares issued in this transaction were using the stock price at issuance date and amounted to $106,385. On April 26, 2016, the Company entered into the Restated Aegis Agreement.

On September 22, 2015, the Company received a $1,600,000 commitment from the Foundation which later assigned its interest to Valour, from which the Company had the right to make capital calls from the Foundation for the research, development, any other activities connected to the Company's opioid antagonist treatments for addictions and related disorders that materially rely on certain studies funded by the Foundation's investment, excluding the Opioid Overdose Reversal Treatment Product (the "Certain Studies Products"), certain operating expenses, and any other purpose consistent with the goals of the Foundation. In exchange for funds invested by the Foundation, Valour currently owns a 2.1333% interest in the Certain Studies Products Net Profit (the "2.1333% Valour Interest"). The "Certain Studies Net Profit" is defined as any pre-tax revenue received by the Company that was derived from the sale of the Certain Studies Products less any and all expenses incurred by and payments made by the Company in connection with the Certain Studies Products, including but not limited to an allocation of Company overhead based on the proportionate time, expenses and resources devoted by the Company to Certain Studies Product-related activities, which allocation shall be determined in good faith by the Company. Valour also has rights with respect to its 2.1333% Valour Interest if the Certain Studies Product is sold or the Company is sold. Additionally, the Company may buy back, in whole or in part, the 2.1333% Valour Interest from Valour within 2.5 years or after 2.5 years of the initial investment at a price of two times or 3.5 times, respectively, the relevant investment amount represented by the interests to be bought back. If an aforementioned treatment is not introduced to the market by September 22, 2018, Valour will have a 60 day option to exchange its 2.1333% Valour Interest for shares of the Common Stock of the Company at an exchange rate of one-tenth of a share for every dollar of its investment. On October 2, 2015, December 23, 2015, and May 28, 2016, the Company made capital calls of $618,000, $715,500 and $266,500 from the Foundation in exchange for 0.824%, 0.954% and 0.355333% interests in the aforementioned treatments, respectively. The Company will defer recording revenue until such time as Valour's option expires or milestones are achieved that eliminates Valour's right to exercise the option. Upon expiration of the exercise option, the deliverables of the arrangement will be reviewed and evaluated under Accounting Standards Codification (ASC) 605. In the event Valour chooses to exchange its 2.1333% Valour Interest, in whole or in part, for shares of Common Stock of the Company, that transaction will be accounted for similar to a sale of shares of Common Stock for cash.

On April 26, 2016, the Company and Aegis entered into the Amended and Restated Material Transfer, Option and Research License Agreement (the "Restated Aegis Agreement") which amended and restated in its entirety the Aegis Agreement. Under the Restated Aegis Agreement, the Company has been granted an exclusive royalty-free research license to Aegis' Technology for a period of time (the "Compound Research Period"), to enable the Company to conduct a feasibility study of opioid antagonists when used with the Technology and evaluate the Company's interest in licensing the Technology through use of a "Compound" (as defined in the Restated Aegis Agreement) in additional studies.

The Company agreed to pay Aegis (i) an aggregate of $300,000, of which the Company may elect to pay up to 50% by issuing shares of the Company's Common Stock to Aegis, with the number of shares to be issued equal to 75% of the average closing price of the Company's Common Stock over the 20 trading days preceding the date of payment as consideration for extending the Compound Research Period pursuant to two separate extension payments of $150,000 each, and (ii) 50,000 shares of Common Stock as partial consideration for entering into the Restated Aegis Agreement. The Company exercised such extensions through payment of the first and second extension fees prior to October 13, 2015 and prior to February 13, 2016, respectively. The Restated Aegis Agreement shall expire on the earlier of (i) the expiration of the "Opiant Negotiation Periods" (as defined in the Restated Aegis Agreement) and (ii) on 30 days' prior written notice by the Company; *provided*, *however*, that Aegis shall have the right to terminate the license granted in the event the Company does not pursue commercially reasonable efforts to exploit a "Product", defined as (i) pharmaceutical formulations containing the Compound as an active ingredient and (ii) Aegis's proprietary chemically synthesizable excipient(s), including without limitation the Intravail® excipients pharmaceutical formulations containing certain ingredients of Aegis' proprietary technology.

During the term of the Restated Aegis Agreement, the Company has a right of first refusal and option to add any, or all of the "Additional Compounds" (as defined in the Restated Aegis Agreement), which the Company may exercise at any time upon written notice to Aegis. The Company has granted Aegis a co-exclusive license with the Company to use the data from the Company's Studies under the Restated Aegis Agreement for certain purposes. Pursuant to the Restated Aegis Agreement, Aegis granted the Company an exclusive option (the "Opiant Option") to obtain an exclusive, worldwide, royalty-bearing license (with the right to grant sublicenses through multiple tiers) under Aegis's interests in the Technology and any "Joint Invention" (as such term is defined in the Restated Aegis Agreement) to the Technology to research, develop, make, have made, use, sell, offer for sale, and import products containing the Compound or an Additional Compound. The Company may exercise such Opiant Option with respect to the Compounds by written notice to Aegis within 90 days of the completion of the Study for (i) the Compounds or (ii) the Additional Compounds. In the event the Company exercises the Opiant Option, the parties have 120 days to negotiate and execute a definitive license agreement. The terms of such license agreement have been contemplated and agreed upon by the parties under a letter agreement dated April 26, 2016 (the "Letter Agreement"). In the event the Company exercises the Opiant Option specific to the "Opioid Field" (as defined in Exhibit 1 to the Letter Agreement), the Company shall pay Aegis an additional $100,000 fee and any such products in the Opioid Field shall be subject to the same milestones, royalties and other monetary obligations set forth in the Letter Agreement and summarized below.

Under the Letter Agreement containing the terms of such license, the Company will pay Aegis development milestones for the Products ranging from $250,000 to $4,000,000. Additionally, commencing on the first anniversary and through the first Product approval, the Company is required to make minimum quarterly nonrefundable payments to Aegis in the amount of $25,000 (the "Quarterly Payments"), which Quarterly Payments are fully creditable and treated as a prepayment against future milestones or royalties. During the "Royalty Term" (as defined in Exhibit 1 to the Letter Agreement), the Company shall pay Aegis royalties (the "Royalties") on annual net sales of Products ranging from (A) low single digits for Products with an aggregate annual "Net Sales" (as defined in Exhibit 1 to the Letter Agreement) during a calendar year of $50 million or less to (B) mid-single digits for Products with Net Sales of greater than $1 billion. Such Royalties are subject to reduction as provided in Exhibit 1 to the Restated Agreement but shall not be reduced by more than 50% of the regularly scheduled royalty payment.

On February 17, 2016, the Company announced the convening of a medical advisory board meeting to discuss its development programs in substance use, addictive and eating disorders. The Company has held other medical advisory board meetings on April 28, 2015, April 19, 2016 and September 14, 2016.

Competition

The Company faces competition from other companies focused on pharmacological treatments for substance use, addictive and eating disorders. Some of these companies are larger and better-funded than the Company and there are no assurances that the Company can effectively compete with these competitors. Potential competitors include Indivior PLC, Alkermes PLC, H. Lundbeck A/S, Shire PLC, Camurus AB, Orexo AB, BioDelivery Services International, Inc., Titan Pharmaceuticals Inc., Cerecor Inc. In 2015, Shire PLC received FDA approval to use Vyvanse to treat BED in adults.

With respect to NARCAN® (naloxone hydrochloride) Nasal Spray, the Company faces competition from other treatments, including injectable naloxone, auto-injectors and improvised nasal kits. Amphastar Pharmaceuticals, Inc. competes with NARCAN® (naloxone hydrochloride) Nasal Spray with their naloxone injection. Kaléo competes with NARCAN® (naloxone hydrochloride) Nasal Spray with their auto-injector known as EVZIO™ (naloxone HCl injection) Auto-Injector. In 2015, Indivior PLC received a Complete Response Letter from the FDA with respect to a naloxone nasal spray. In 2016, TEVA filed an NDA with the FDA seeking regulatory approval to market a generic version of NARCAN® (naloxone hydrochloride) Nasal Spray before the expiration of the '253 patent. In 2016, Mundipharma AG announced its European Union regulatory submission for Nyxoid®, an intranasal naloxone spray for the reversal of opioid overdoses. Although NARCAN® (naloxone hydrochloride) Nasal Spray was the first FDA-approved naloxone nasal spray for the emergency reversal of opioid overdoses and has advantages over certain other treatments, the Company expects the treatment to face additional competition.

Results of Operations

The following compares Opiant's operations for the three months ended October 31, 2016 to the same period at October 31, 2015.

Revenues

The Company generated $1,121,142 and $120,000 of revenue during the three months ended October 31, 2016 and 2015, respectively. The Company recognized $1,121,142 of revenue derived from the Adapt Agreement during the three months ended October 31, 2016, of which $621,142 is royalty revenue and $500,000 is milestone revenue received as a result of the Health Canada approval of NARCAN® (naloxone hydrochloride) Nasal Spray. During the three month period ended October 31, 2015, the Company only recorded $120,000 of revenue from Adapt.

General and Administrative Expenses

The Company's general and administrative expenses were $1,216,302 and $10,791,380 for the three months ended October 31, 2016 and 2015, respectively. This decrease of $9,575,078 was primarily due to a decrease in stock-based compensation, as the Company recorded $180,967 of stock-based compensation during the three months ended October 31, 2016 as compared to $10,278,831 during the three months ended October 31, 2015. This decrease was partially offset by increases in investor relations expenses and employee compensation.

Research and Development Expenses

The Company's research and development expenses were $441,834 and $429,450 during the three months ended October 31, 2016 and 2015, respectively. Research and development costs incurred during the three months ended October 31, 2016 were comparable to the three months ended October 31, 2015.

Selling Expenses

The Company's selling expenses were $42,036 and $0 for the three months ended October 31, 2016 and 2015, respectively. This increase was a result of incurring selling expenses for revenue earned in 2016. The Company did not incur any selling expenses for revenue earned in 2015.

Interest Expense

During the three months ended October 31, 2016, interest expense decreased to $2,244 from $5,828 during the three months ended October 31, 2015. During the three months ended October 31, 2016, a reduction in debt outstanding resulted in a decrease in interest expense incurred.

Net Loss

The net loss for the three months ended October 31, 2016 and for the three months ended October 31, 2015 was $600,628 and $11,110,017, respectively. This decreased net loss was due primarily to the decrease in general and administrative expenses, particularly stock-based compensation. Net loss also decreased as a result of the increase in revenues. This was offset by a slight increase in research and development expenses and selling expenses during the three months ended October 31, 2016.

The Company has not consistently attained profitable operations and has historically depended upon obtaining sufficient financing to fund its operations. In their report on the Company's financial statements at July 31, 2016, contained in the Company's Annual Report on Form 10-K for the year ended July 31, 2016, as filed with the SEC on October 28, 2016, the Company's auditors raised substantial doubt about the Company's ability to continue as a going concern.

Liquidity and Capital Resources

The Company's cash balance at October 31, 2016 was $1,184,568 plus $7,102,503 of outstanding liabilities. The Company's management believes that the Company's current cash balance is sufficient to fund the Company's current operations into the first calendar quarter of 2017. The Company has initiated certain cost-cutting measures, which are expected to fund the Company's operations into the second calendar quarter of 2017. The Company will need to generate sufficient revenues and/or seek additional funding in the near future. The Company currently does not have a specific plan of how it will obtain such funding; however, the Company anticipates that additional funding will be in the form of debt financing and/or equity financing from the sale of the Company's Common Stock and/or financings from the sale of interests in the Company's prospective products and/or in the royalty transactions. Such funds may also be derived pursuant to the terms of the Adapt Agreement.

During the year ended July 31, 2016, the Company received $1,600,000 in funding from the Foundation in exchange for Certain Studies Products Net Profit interests as related to the Company's opioid antagonist treatments for addictions and related disorders that materially rely on certain studies funded by the foundation's investment, excluding the Opioid Overdose Reversal Treatment Product. This investment increased the cash position of the Company. The Company expects to continue to issue debt and/or equity and/or sell interests in the Company's prospective products and/or enter into royalty transactions to sustain the implementation of the Company's business plan, unless sufficient revenues are generated. During the quarter ended October 31, 2016, the Company received no funding in exchange for interests in the Company's Opioid Overdose Reversal Treatment Product or BED treatment.

At this time, the Company cannot provide investors with any assurance that it will be able to generate sufficient revenues and/or obtain sufficient funding from debt financing and/or the sale of its Common Stock and/or the sale of interests in the Company's prospective products and/or royalty transactions to meet its obligations over the next twelve months. The Company does not have any arrangements in place for any future financing. The Company may also seek to obtain short-term loans from its officers and directors to meet its short-term funding needs. The Company has no material commitments for capital expenditures as of October 31, 2016.

The financial position of the Company at October 31, 2016 showed an increase in total assets from July 31, 2016 of $1,881,878 to $1,977,886, respectively. This was due primarily to an increase in the Company's accounts receivable amount, which was due to increased revenues during the period. This was offset by a decrease in cash which decreased as a result of the utilization of cash for operations. Total liabilities at October 31, 2016 increased to $7,102,503 from $6,586,834 at July 31, 2016. This increase was the result of an increase in accounts payable.

Going Concern

The Company's independent auditor has issued an audit opinion which includes a statement expressing substantial doubt as to the Company's ability to continue as a going concern.

The Company has incurred significant losses, a working capital deficit as of October 31, 2016 of $2,798,915 and is dependent on generating sufficient revenues and/or obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to generate sufficient revenues and/or obtain the necessary funding, it could cease operations. This raises substantial doubt about the Company's ability to continue as a going concern.

Plan of Operation

During the fiscal year ending July 31, 2017, the Company aims to broaden the Company's product pipeline and anticipates commencing further trials based on the Company's existing as well as potential patents.

The Company anticipates receiving revenues pursuant to the Adapt Agreement. Pursuant to the Adapt Agreement, in exchange for licensing its treatment to Adapt, the Company could receive total potential development and sales milestone payments of more than $55 million, plus up to double-digit royalties. On November 18, 2015, the FDA approved NARCAN® (naloxone hydrochloride) Nasal Spray for the emergency treatment of known or suspected opioid overdose, to be marketed by Adapt. On December 15, 2015, the Company announced that it received a $2 million milestone payment from Adapt. This milestone payment was triggered by the FDA approval of NARCAN® (naloxone hydrochloride) Nasal Spray. On March 7, 2016, the Company announced the receipt of a $2.5 million milestone payment from Adapt. This milestone payment was triggered by the first commercial sale of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S. On October 6, 2016, the Company received $500,000 from Adapt as a regulatory milestone payment pursuant to the Adapt Agreement. This payment was triggered by the Health Canada approval of NARCAN® (naloxone hydrochloride) Nasal Spray. Pursuant to the Adapt Agreement, the Company also has received royalty payments. On April 29, 2016, the Company received $105,097 in royalty payments due from Adapt from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the first calendar quarter of 2016. On August 8, 2016, the Company received $234,498 in royalty payments due from Adapt from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the second calendar quarter of 2016. On November 3, 2016, the Company received $524,142 in royalty payments due from Adapt from commercial sales of NARCAN® (naloxone hydrochloride) Nasal Spray in the U.S during the third calendar quarter of 2016.

The Company aims to collaborate with other parties and progress its drug development program for BED and plans to initiate a BED study in 2017.

The Company plans to evaluate the use of a nasal opioid antagonist to treat BN. The Company aims to initiate a study before May 1, 2017.

The Company has focused on developing a treatment for CocUD. On December 23, 2015, the Company announced that an opioid antagonist drug will be tested in patients with CocUD at the University of Pennsylvania. The study has been conducted by the Department of Psychiatry at the Perelman School of Medicine at the University of Pennsylvania, and began recruitment in December 2015. Funded by a Medications Development Centers of Excellence Cooperative (U54) Program from NIDA, the study uses functional Magnetic Resonance Imaging (fMRI) to better understand the impact of an opioid antagonist drug in the brain of patients with CocUD. Using an opioid antagonist and blocking the downstream release of dopamine through blocking the release of endorphins may reduce the reward patients receive from cocaine use.

Critical Accounting Policies and Estimates

The Company believes that the following critical policies affect the Company's more significant judgments and estimates used in preparation of the Company's financial statements.

The Company prepares its financial statements in conformity with generally accepted accounting principles in the United States of America. These principals require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that these estimates are reasonable and have been discussed with the Board of Directors of the Company (the "Board"); however, actual results could differ from those estimates.

The Company issues restricted stock to consultants for various services and employees for compensation. Cost for these transactions are measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is measurable more reliably measurable. The value of the Common Stock is measured at the earlier of: (i) the date at which a firm commitment for performance by the counterparty to earn the equity instruments is reached or (ii) the date at which the counterparty's performance is complete.

The Company issues options and warrants to consultants, directors, and officers as compensation for services. These options and warrants are valued using the Black-Scholes model, which focuses on the current stock price and the volatility of moves to predict the likelihood of future stock moves. This method of valuation is typically used to accurately price stock options and warrants based on the price of the underlying stock.

Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. The Company did not recognize any impairment losses for any periods presented.

Fair value estimates used in preparation of the financial statements are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash, accounts payable, note payable and due to related parties. Fair values were assumed to approximate carrying values for these financial instruments since they are short-term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand.

Revenue Recognition

The Company recognizes revenues from nonrefundable, up-front license fees related to collaboration agreements, on a straight-line basis over the contracted or estimated period of performance. The period of performance over which the revenues are recognized is typically the period over which the research and/or development is expected to occur or manufacturing services are expected to be provided. When the period of performance is based on the period over which research and/or development is expected to occur, the Company is required to make estimates regarding drug development and commercialization timelines. Because of the many risks and uncertainties associated with the development of drug candidates, these estimates regarding the period of performance may change.

In addition, the Company evaluates each arrangement to determine whether or not it qualifies as a multiple-deliverable revenue arrangement under ASC 605-25. If one or more of the deliverables have a standalone value, then the arrangement would be separated into multiple units of accounting. This normally occurs when the R&D services could contractually and feasibly be provided by other vendors or if the customer could perform the remaining R&D itself, and when the Company has no further obligations and the right has been conveyed. When the deliverables cannot be separated, any initial payment received is treated like an advance payment for the services and recognized over the performance period, as determined based on all of the items in the arrangement. This period is usually the expected research and development period.

The Company recognizes revenue from milestone payments upon achievement of the milestones and when the Company has no further involvement or obligation to perform services, as related to that specific element of the arrangement, provided the milestone is meaningful, and provided that collectability is reasonably assured and other revenue recognition criteria are met.

The Company recognizes revenue from royalty revenue when the Company has fulfilled the terms of the contractual agreement and has no material future obligation, other than inconsequential and perfunctory support, and the amount of the royalty fee is determinable and collection is reasonably assured.

Licensing Agreement

On December 15, 2014, the Company entered into the Adapt Agreement with Adapt. Pursuant to the Adapt Agreement, the Company provided a global license to develop and commercialize the Company's intranasal naloxone opioid overdose reversal treatment, now known as NARCAN® (naloxone hydrochloride) Nasal Spray. In exchange for licensing its treatment, the Company received a nonrefundable, upfront license fee of $500,000 in December 2014. The Company also received a monthly fee for one year for participation in joint development committee calls and the production and submission of an initial development plan. The initial development plan was completed and submitted in May 2015. Management evaluated the deliverables of this arrangement and determined that the licensing deliverable had a standalone value and therefore, the payments were recognized as revenue.

The Company could also receive additional payments upon reaching various sales and regulatory milestones as well as royalty payments for commercial sales of NARCAN generated by Adapt. During the year ended July 31, 2016, the Company received $4,500,000 of milestone payments and recognized royalty revenues of approximately $418,000 pursuant to the Adapt Agreement.

In addition, pursuant to the Adapt Agreement, the Company is required to contribute $2,500,000 of development, regulatory and commercialization costs, some of which was credited for costs incurred by the Company prior to the execution of the Adapt Agreement. At July 31, 2016, the Company had contributed the full $2,500,000.

The Company recognizes revenue for fees related to participation in the initial development plan and joint development calls as revenue once the fee is received and the Company has performed the required services for the period.

Treatment Investments

With respect to investments in interests in treatments, if an agreement provides an option that allows the investor in the treatment to convert an interest in a treatment into shares of Common Stock of the Company, then revenue is deferred until such time that the option expires or milestones are achieved that eliminate the investor's right to exercise the option. Upon expiration of the exercise option, the deliverables of the arrangement are reviewed and evaluated under ASC 605. In the event the investor chooses to convert interests into shares of Common Stock, that transaction will be accounted for similar to a sale of shares of Common Stock for cash.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Recent Accounting Pronouncements

The Company has reviewed accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. The Company has carefully considered the new pronouncements that alter previous generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the Company's reported financial position or operations in the near term. The applicability of any standard is subject to the formal review of the Company's financial management and certain standards are under consideration. Those standards have been addressed in the notes to the audited financial statement and in this, the Company's Annual Report, filed on Form 10-K for the period ended July 31, 2016.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company is not required to provide the information required by this Item because the Company is a smaller reporting company.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of the Company's management, including the Company's principal executive officer and the principal financial officer, the Company has conducted an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) under the Exchange Act, as of October 31, 2016. Based on this evaluation, the Company's principal executive officer and principal financial officer concluded as of October 31, 2016 that the Company's disclosure controls and procedures were not effective due to the following material weaknesses:

a) Lack of audit committee. The Company does not have a functioning audit committee, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures.

b) Lack of proper segregation of duties due to limited personnel.

c) Lack of a formal review process related to financial reporting that includes multiple levels of review.

The Company's management is committed to improving the Company's internal controls and will: (1) continue to use third party specialists to address shortfalls in staffing and to assist the Company with accounting and finance responsibilities; (2) increase the frequency of independent reconciliations of significant accounts which will mitigate the lack of segregation of duties until there are sufficient personnel; and (3) may consider appointing outside directors and audit committee members in the future.

The Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, have discussed the material weakness noted above with the Company's independent registered public accounting firm. Due to the nature of this material weakness, there is a more than remote likelihood that misstatements which could be material to the annual or interim financial statements could occur that would not be prevented or detected.

Changes in Internal Control over Financial Reporting

There were no significant changes in the Company's internal controls over financial reporting that occurred during the three months ended October 31, 2016 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II— OTHER INFORMATION

Item 1. Legal Proceedings.

On September 15, 2016, the Company and Adapt received the Notice Letter from TEVA, pursuant to 21 U.S.C. § 355(j)(2)(B)(ii), that TEVA had filed an ANDA with the FDA seeking regulatory approval to market a generic version of NARCAN® (naloxone hydrochloride) Nasal Spray before the expiration of the '253 patent. The '253 patent is listed with respect to NARCAN® (naloxone hydrochloride) Nasal Spray in the FDA's Orange Book and expires on March 16, 2035. TEVA's Notice Letter asserts that its generic product will not infringe the '253 patent or that the '253 patent is invalid or unenforceable. The Company and Adapt have been evaluating TEVA's Notice Letter. The Company has full confidence in its intellectual property portfolio related to NARCAN® (naloxone hydrochloride) Nasal Spray and expects that the '253 patent will be vigorously defended from any infringement. The Company may receive additional Notice Letters from other companies seeking to market generic versions of NARCAN® (naloxone hydrochloride) Nasal Spray in the future and, after evaluation, the Company may commence patent infringement lawsuits against such companies.

On October 21, 2016, the Plaintiffs filed a complaint for patent infringement against the Defendants in the U.S. District Court for the District of New Jersey arising from TEVA's U.S.'s filing of the ANDA with the FDA. The Plaintiffs seek, among other relief, an order that the effective date of FDA approval of the ANDA be a date later than the expiration of the '253 patent, as well as equitable relief enjoining the Defendants from infringing the '253 patent and monetary relief as a result of any such infringement. The Company maintains full confidence in its intellectual property portfolio related to NARCAN® (naloxone hydrochloride) Nasal Spray and expects that the '253 patent will continue to be vigorously defended from any infringement. There can be no assurances that the Company will be successful with respect to this litigation matter. Such a failure may have a material impact on the Company and its business operations in the future.

Except as described above, the Company is currently not involved in any litigation that the Company believes could have a materially adverse effect on the Company's financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or other body pending or, to the knowledge of the executive officers of the Company or any of the Company's subsidiaries, threatened against or affecting the Company, the Company's Common Stock, any of the Company's subsidiaries or the Company's or the Company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 1A. Risk Factors.

Risks Related to the Company

The Company has generated limited revenue to date and expect to incur significant operating losses for the foreseeable future.

The Company was incorporated on June 21, 2005. The Company operates as a specialty pharmaceutical company which develops pharmacological treatments for substance use, addictive and eating disorders. The Company has generated limited revenues from inception through the date of this Report. The likelihood of the Company's future success must be considered in light of the problems, expenses, difficulties, complications and delays often encountered in connection with the clinical trials that will be conducted and on the development of new solutions to common addictions and related disorders. These potential problems include, but are not limited to, unanticipated clinical trial delays, poor data, changes in the regulatory and competitive landscape and additional costs and expenses that may exceed current budget estimates. In order to complete certain clinical trials and otherwise operate pursuant to the Company's current business strategy, the Company anticipates that it will incur increased operating expenses. In addition, the Company expects to incur significant losses for the foreseeable future and the Company also expects to experience negative cash flow for the foreseeable future as the Company funds the Company's operating losses and capital expenditures. The Company recognizes that if the Company is unable to generate sufficient revenues or source funding, the Company will not be able to continue operations as currently contemplated, complete planned clinical trials or achieve profitability. The Company's failure to achieve or maintain profitability will also negatively impact the value of the Company's securities. There is no history upon which to base any assumption as to the likelihood that the Company will prove successful. If the Company is unsuccessful in addressing these risks, then the Company will most likely fail.

The Company's independent auditor has issued an audit opinion for the Company which includes a statement describing the company's going concern status. The Company's financial status creates a doubt whether the Company will continue as a going concern.

Based on the Company's financial history since inception, the Company's independent registered public accounting firm has expressed substantial doubt as to the Company's ability to continue as a going concern. The Company has generated limited revenue to date. The Company has not consistently attained profitable operations and has historically depended upon obtaining sufficient financing and generating limited revenues to fund its operations. The Company anticipates that its revenues will not be sufficient to support its current operations and additional funding will be required in the form of debt financing and/or equity financing and/or financings from the sale of interests in the Company's prospective products and/or royalty transactions. Despite its best efforts, the Company may not be able to generate sufficient revenues or raise sufficient funding to fund the Company's operations. If the Company is unable to achieve the foregoing, then the Company may be unable to continue operating as currently planned or to continue as a going concern.

The Company may not succeed in completing the development of the Company's product candidates, commercializing the Company's products, and generating significant revenues.

The Company's pipeline includes a treatment for BED, a treatment for BN, a treatment for CocUD, a heroin vaccine and additional treatment applications. The Company's products have generated limited revenues. The Company's ability to generate significant revenues and achieve profitability depends on the Company's ability to successfully complete the development of its product candidates, obtain market approval, successfully launch its products and generate significant revenues. On December 15, 2014, the Company and Adapt entered into the Adapt Agreement that provides Adapt with a global license to develop and commercialize the Company's intranasal naloxone Opioid Overdose Reversal Treatment Product, now known as NARCAN® (naloxone hydrochloride) Nasal Spray. The loss for any reason of Adapt as a key partner could have a significant and adverse impact on the Company's business. If the Company is unable to retain Adapt as a partner on commercially acceptable terms, the Company may not be able to commercialize the Company's treatment as planned and the Company may experience delays in or suspension of the marketing of the treatment.

The future success of the Company's business cannot be determined at this time, and the Company does not anticipate generating significant revenues from product sales for the foreseeable future. Notwithstanding the foregoing, the Company expects to generate revenues from NARCAN® (naloxone hydrochloride) Nasal Spray, for which the Company is dependent on many factors, including the performance of the Company's licensing partner Adapt and competition in the market. In addition, the Company has no experience in commercializing its treatments on its own and faces a number of challenges with respect to its commercialization efforts, including, among other challenges, that:

- the Company may not have adequate financial or other resources to complete the development of its product candidates;
- the Company may not be able to manufacture its products in commercial quantities, at an adequate quality, at an acceptable cost or in collaboration with third parties;
- The Company may experience delays or unplanned expenditures in product development, clinical testing or manufacturing;
- the Company may not be able to establish adequate sales, marketing and distribution channels;
- healthcare professionals and patients may not accept the Company's treatments;
- the Company may not be aware of possible complications from the continued use of its products since the Company has limited clinical experience with respect to the actual use of its products;
- technological breakthroughs in reversing opioid overdoses and treating patients with BED, BN, CocUD and heroin addiction may reduce the demand for the Company's products;
- changes in the market for reversing opioid overdoses and treating patients with BED, BN, CocUD and heroin addiction, new alliances between existing market participants and the entrance of new market participants may interfere with the Company's market penetration efforts;
- third-party payors may not agree to reimburse patients for any or all of the purchase price of the Company's products, which may adversely affect patients' willingness to purchase the Company's products;
- uncertainty as to market demand may result in inefficient pricing of the Company's products;
- the Company may face third party claims of intellectual property infringement;
- the Company may fail to obtain or maintain regulatory approvals for its products in the Company's target markets or may face adverse regulatory or legal actions relating to its products even if regulatory approval is obtained; and

- the Company is dependent upon the results of clinical studies relating to its products and the products of its competitors. If data from a clinical trial is unfavorable, the Company would be reluctant to advance the specific product for the indication for which it was being developed.

If the Company is unable to meet any one or more of these challenges successfully, the Company's ability to effectively commercialize its products could be limited, which in turn could have a material adverse effect on its business, financial condition and results of operations.

Given the Company's lack of revenue and cash flow, the Company will need to raise additional capital, which may be unavailable to the Company or, even if consummated, may cause dilution or place significant restrictions on the Company's ability to operate.

Since the Company may be unable to generate sufficient revenue or cash flow to fund its operations for the foreseeable future, the Company will need to seek additional equity or debt financing to provide the capital required to maintain or expand its operations. The Company may also need additional funding to continue the development of its product candidates, build its sales and marketing capabilities, promote brand identity or develop or acquire complementary technologies, assets and companies, as well as for working capital requirements and other operating and general corporate purposes.

The Company does not currently have any arrangements or credit facilities in place as a source of funds, and there can be no assurance that the Company will be able to raise sufficient additional capital if needed on acceptable terms, or at all. If such financing is not available on satisfactory terms, or is not available at all, the Company may be required to delay, scale back or eliminate the development of its product candidates and other business opportunities and its ability to achieve its business objectives, its competitiveness and its operations and financial condition may be materially adversely affected. The Company's inability to fund its business could thus lead to the loss of your investment.

If the Company raises additional capital by issuing equity securities and/or equity-linked securities, the percentage ownership of the Company's existing stockholders may be reduced, and accordingly these stockholders may experience substantial dilution. The Company may also issue equity securities and/or equity-linked securities that provide for rights, preferences and privileges senior to those of its Common Stock. Given the Company's need for cash and that equity and equity-linked issuances are very common types of fundraising for companies like the Company, the risk of dilution is particularly significant for stockholders of the Company.

Debt financing, if obtained, may involve agreements that include liens on the Company's assets and covenants limiting or restricting the Company's ability to take specific actions such as incurring additional debt. Debt financing could also be required to be repaid regardless of the Company's operating results.

If the Company raises additional funds through collaborations and licensing arrangements, the Company may be required to relinquish some rights to its products or to grant licenses on terms that are not favorable to the Company.

The Company's current and future operations substantially depend on the Company's management team and the Company's ability to hire other key personnel, the loss of any of whom could disrupt the Company's business operations.

The Company's business depends and will continue to depend in substantial part on the continued service of Dr. Roger Crystal and Kevin Pollack, the Company's Chief Executive Officer and Chief Financial Officer, respectively. The loss of the services of either of these individuals would significantly impede implementation and execution of the Company's business strategy and may result in the failure to reach its goals.

The Company's future viability and ability to achieve sales and profits will also depend on the Company's ability to attract, train, retain and motivate highly qualified personnel in the diverse areas required for continuing its operations. There is a risk that the Company will be unable to attract, train, retain or motivate qualified personnel, both near term or in the future, and the Company's failure to do so may severely damage its prospects.

If the Company is unable to obtain and maintain patent protection for the Company's products and product candidates, or if the scope of the patent protection obtained is not sufficiently broad, the Company's competitors could develop and commercialize products and product candidates similar or identical to the Company's, and the Company's ability to successfully commercialize the Company's products and product candidates may be adversely affected.

The Company's commercial success will depend, in part, on the Company's ability to obtain and maintain patent protection in the U.S. and other countries with respect to the Company's products and product candidates. The Company seeks to protect the Company's proprietary position by filing patent applications in the U.S. and abroad related to the Company's products and product candidates that are important to the Company's business, as appropriate. The Company cannot be certain that patents will be issued or granted with respect to applications that are currently pending or that the Company may apply for in the future with respect to one or more of the Company's products and product candidates, or that issued or granted patents will not later be found to be invalid and/or unenforceable.

The patent prosecution process is expensive and time-consuming, and the Company may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that the Company will fail to identify patentable aspects of the Company's research and development output before it is too late to obtain patent protection. Although the Company may enter into non-disclosure and confidentiality agreements with parties who have access to patentable aspects of the Company's research and development output, such as the Company's employees, distribution partners, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing the Company's ability to seek patent protection.

The patent position of pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of the Company's patent rights are highly uncertain. The Company's pending and future patent applications may not result in patents being issued, and even if issued, the patents may not meaningfully protect the Company's products or product candidates, effectively prevent competitors and third parties from commercializing competitive products or otherwise provide the Company with any competitive advantage. The Company's competitors or other third parties may be able to circumvent the Company's patents by developing similar or alternative products in a non-infringing manner.

Changes in either the patent laws, implementing regulations or interpretation of the patent laws in the U.S. and other countries may also diminish the value of the Company's patents or narrow the scope of the Company's patent protection. The laws of foreign countries may not protect the Company's rights to the same extent as the laws of the U.S., and many companies have encountered significant difficulties in protecting and defending such rights in foreign jurisdictions.

The Company cannot be certain that the Company's patents and patent rights will be effective in protecting the Company's products, product candidates and technologies. Failure to protect such assets may have a material adverse effect on the Company's business, operations, financial condition and prospects.

The Company may face litigation from third parties claiming that the Company's products infringe on their intellectual property rights, or seek to challenge the validity of the Company's patents.

The Company's future success is also dependent in part on the strength of the Company's intellectual property, trade secrets and know-how, which have been developed from years of research and development. In addition to the litigation with TEVA discussed below, the Company may be exposed to additional future litigation by third parties seeking to challenge the validity of the Company's rights based on claims that the Company's technologies, products or activities infringe the intellectual property rights of others or are invalid, or that the Company has misappropriated the trade secrets of others.

Since the Company's inception, the Company has sought to contract with manufacturers to supply commercial quantities of pharmaceutical formulations and products. As a result, the Company has disclosed, under confidentiality agreements, various aspects of the Company's technology with potential manufacturers and suppliers. The Company believes that these disclosures, while necessary for the Company's business, may have resulted and may result in the attempt by potential manufacturers and suppliers to improperly assert ownership claims to the Company's technology in an attempt to gain an advantage in negotiating manufacturing and supplier rights.

On September 15, 2016, the Company and Adapt received the Notice Letter from TEVA, pursuant to 21 U.S.C. § 355(j)(2)(B)(ii), that TEVA had filed an ANDA with the FDA seeking regulatory approval to market a generic version of NARCAN® (naloxone hydrochloride) Nasal Spray before the expiration of the '253 patent. The '253 patent is listed with respect to NARCAN® (naloxone hydrochloride) Nasal Spray in the FDA's Orange Book and expires on March 16, 2035. TEVA's Notice Letter asserts that its generic product will not infringe the '253 patent or that the '253 patent is invalid or unenforceable. The Company and Adapt have been evaluating TEVA's Notice Letter. The Company may receive additional Notice Letters from other companies seeking to market generic versions of NARCAN® (naloxone hydrochloride) Nasal Spray in the future and, after evaluation, the Company may commence patent infringement lawsuits against such companies.

On October 21, 2016, the Plaintiffs filed a complaint for patent infringement against the Defendants in the U.S. District Court for the District of New Jersey arising from TEVA's U.S.'s filing of the ANDA with the FDA. The Plaintiffs seek, among other relief, an order that the effective date of FDA approval of the ANDA be a date later than the expiration of the '253 patent, as well as equitable relief enjoining the Defendants from infringing the '253 patent and monetary relief as a result of any such infringement. The Company has full confidence in its intellectual property portfolio related to NARCAN® (naloxone hydrochloride) Nasal Spray and expects that the '253 patent will continue to be vigorously defended from any infringement. There can be no assurances that the Company will be successful with respect to this litigation matter. Such a failure may have a material impact on the Company and its business operations in the future.

The expiration or loss of patent protection may adversely affect the Company's future revenues and operating earnings.

The Company relies on patent, trademark, trade secret and other intellectual property protection in the discovery, development, manufacturing and sale of the Company's products and product candidates. In particular, patent protection is important in the development and eventual commercialization of the Company's products and product candidates. Patents covering the Company's products and product candidates normally provide market exclusivity, which is important in order for the Company's products and product candidates to become profitable.

Certain of the Company's patents will expire in the next 18 to 21 years. While the Company is seeking additional patent coverage which may protect the technology underlying these patents, there can be no assurances that such additional patent protection will be granted, or if granted, that these patents will not be infringed upon or otherwise held enforceable. Even if the Company is successful in obtaining a patent, patents have a limited lifespan. In the U.S., the natural expiration of a utility patent typically is generally 20 years after it is filed. Various extensions may be available; however, the life of a patent, and the protection it affords, is limited. Without patent protection for the Company's products and product candidates, the Company may be open to competition from generic versions of such methods and devices.

The Company may be exposed to product liability risks, and clinical and preclinical liability risks, which could place a substantial financial burden upon the Company should the Company be sued.

The Company's business exposes the Company to potential product liability and other liability risks that are inherent in the testing, manufacturing and marketing of pharmaceutical formulations and products. The Company cannot be sure that claims will not be asserted against the Company. A successful liability claim or series of claims brought against the Company could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company cannot give assurances that the Company will be able to continue to obtain or maintain adequate product liability insurance on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability insurance coverage that the Company may obtain could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's products may have undesirable side effects which may delay or prevent marketing approval, or, if approval is received, require it to be taken off the market, require it to include safety warnings or otherwise limit sales of the product.

Unforeseen side effects from the Company's products and product candidates could arise either during clinical development or, if approved, after the Company's products have been marketed. This could cause regulatory approvals for, or market acceptance of, the Company's products to be harder and more costly to obtain.

To date, no serious adverse events have been attributed to the Company's products and product candidates. The results of the Company's planned or any future clinical trials may show that the Company's products and product candidates causes undesirable or unacceptable side effects, which could interrupt, delay or halt clinical trials, and result in delay of, or failure to obtain, marketing approval from the FDA and other regulatory authorities, or result in marketing approval from the FDA and other regulatory authorities with restrictive label warnings. If the Company's product candidates receive marketing approval and the Company or others later identify undesirable or unacceptable side effects caused by the use of the Company's products:

- regulatory authorities may withdraw their approval of the products, which would force the Company to remove its products from the market;
- regulatory authorities may require the addition of labeling statements, specific warnings, a contraindication, or field alerts to physicians, pharmacies and others;
- the Company may be required to change instructions regarding the way the products are administered, conduct additional clinical trials or change the labeling of the products;
- the Company may be subject to limitations on how it may promote the products;
- sales of the products may decrease significantly;
- the Company may be subject to litigation or product liability claims; and
- the Company's reputation may suffer.

Any of these events could prevent the Company or its potential future collaborators from achieving or maintaining market acceptance of the Company's products or could substantially increase commercialization costs and expenses, which in turn could delay or prevent the Company from generating significant revenues from the sale of its products.

The Company currently has no marketing and sales organization and has no experience marketing pharmaceutical products. If the Company is unable to establish its own marketing and sales capabilities, or enter into agreements with third parties to market and sell the Company's products after approval, the Company may not be able to generate product revenues.

The Company does not have a sales organization for the marketing, sales and distribution of any pharmaceutical products. In order to commercialize the Company's products or any other product candidates the Company may develop or acquire in the future, the Company must develop these capabilities on its own or make arrangements with third parties for the marketing, sales and distribution of its products. The establishment and development of the Company's own sales force will be expensive and time consuming and could delay any product launch, and the Company cannot be certain that it would be able to successfully develop this capability. As a result, the Company may seek one or more partners to handle some or all of the sales, marketing and distribution of its products. There also may be certain markets within the U.S. and elsewhere for the Company's products for which the Company may seek a co-promotion arrangement. However, the Company may not be able to enter into arrangements with third parties to sell its products on favorable terms, or at all. In the event the Company is unable to develop its own marketing and sales force or collaborate with a third party marketing and sales organization, the Company will not be able to commercialize its products or any other product candidates that it develops, which will negatively impact its ability to generate product revenues. Furthermore, whether the Company commercializes products on its own or relies on a third party to do so, the Company's ability to generate revenue would be dependent on the effectiveness of the sales force. In addition, to the extent the Company relies on third parties to commercialize its approved products, the Company would likely receive less revenues than if the Company commercialized these products itself.

The market for the Company's products is rapidly changing and competitive, and new drugs, which may be developed by others, could impair the Company's ability to maintain and grow the Company's business and remain competitive.

The pharmaceutical industry is subject to rapid and substantial technological change. Developments by others may render the Company's technologies and products noncompetitive or obsolete. The Company also may be unable to keep pace with technological developments and other market factors. Technological competition from medical device, pharmaceutical and biotechnology companies, universities, governmental entities and others diversifying into the field is intense and is expected to increase. Many of these entities have significantly greater research and development capabilities and budgets than the Company does, as well as substantially more marketing, manufacturing, financial and managerial resources. These entities represent significant competition for the Company.

The Company's reliance on collaborations with third parties to develop and commercialize the Company's products, such as the Adapt Agreement to develop and commercialize the Company's intranasal naloxone Opioid Overdose Reversal Treatment Product, is subject to inherent risks and may result in delays in product development and lost or reduced revenues, restricting the Company's ability to commercialize the Company's products and adversely affecting the Company's profitability.

With respect to the products the Company has licensed, the Company depends upon collaborations with third parties to develop these product candidates and the Company depends substantially upon third parties to commercialize these products. As a result, the Company's ability to develop, obtain regulatory approval of, manufacture and commercialize the Company's existing and possibly future product candidates depends upon the Company's ability to maintain existing, and enter into and maintain new, contractual and collaborative arrangements with others. The Company also engages, and intends in the future to continue to engage, contract manufacturers and clinical trial investigators.

In addition, although not a primary component of the Company's current strategy, the identification of new compounds or product candidates for development has led the Company in the past, and may continue to require the Company, to enter into license or other collaborative agreements with others, including other pharmaceutical companies and research institutions. Such collaborative agreements for the acquisition of new compounds or product candidates would typically require the Company to pay license fees, make milestone payments and/or pay royalties. Furthermore, these agreements may result in the Company's revenues being lower than if the Company developed the Company's product candidates on the Company's own and in the Company's loss of control over the development of the Company's product candidates.

Contractors or collaborators may have the right to terminate their agreements with the Company or reduce their payments to the Company under those agreements on limited or no notice and for no reason or reasons outside of the Company's control. For example, the Company may be unable to maintain its relationship with Adapt on a commercially reasonable basis, if at all, as the Adapt agreement may be terminated by Adapt in its sole discretion, either in its entirety or in respect of one or more countries, at any time by providing 60 days prior notice to the Company. In addition, Adapt may have similar or more established relationships with the Company's competitors or larger customers which may negatively impact the Company's relationship with Adapt. Moreover, the loss for any reason of Adapt as a key partner could have a materially significant and adverse impact on the Company's business. If the Company is unable to retain Adapt as a partner on commercially acceptable terms, the Company may not be able to commercialize the Company's products as planned and the Company may experience delays in or suspension of the marketing of the Company's products. The same could apply to other product candidates the Company may develop or acquire in the future. The Company's dependence upon third parties to assist with the development and commercialization of the Company's product candidates may adversely affect the Company's ability to generate profits or acceptable profit margins and the Company's ability to develop and deliver such products on a timely and competitive basis. Additionally, the Restated Aegis Agreement expires on the earlier of (i) the expiration of the Opiant Negotiation Periods and (ii) on 30 days' prior written notice by the Company; *provided*, *however*, that Aegis shall have the right to terminate the license granted in the event the Company does not pursue commercially reasonable efforts to exploit a Product.

If the Company's current or future licensees exercise termination rights they may have, or if these license agreements terminate because of delays in obtaining regulatory approvals, or for other reasons, and the Company is not able to establish replacement or additional research and development collaborations or licensing arrangements, the Company may not be able to develop and/or commercialize the Company's product candidates. Moreover, any future collaborations or license arrangements the Company may enter into may not be on terms favorable to the Company.

A further risk the Company faces with the Company's collaborations is that business combinations and changes in the collaborator or their business strategy may adversely affect their willingness or ability to complete their obligations to the Company.

The Company's current or any future collaborations or license arrangements ultimately may not be successful. The Company's agreements with collaborators typically allows them discretion in electing whether to pursue various development, regulatory, commercialization and other activities, such as the Adapt Agreement.

If any collaborator were to breach its agreement with the Company or otherwise fail to conduct collaborative activities in a timely or successful manner, the pre-clinical or clinical development or commercialization of the affected product candidate or research program would be delayed or terminated.

Other risks associated with the Company's collaborative and contractual arrangements with others include the following:

- the Company may not have day-to-day control over the activities of the Company's contractors or collaborators;
- the Company's collaborators may fail to defend or enforce patents they own on compounds or technologies that are incorporated into the products the Company develops with them;
- third parties may not fulfill their regulatory or other obligations; and
- the Company may not realize the contemplated or expected benefits from collaborative or other arrangements; and disagreements may arise regarding a breach of the arrangement, the interpretation of the agreement, ownership of proprietary rights, clinical results or regulatory approvals.

These factors could lead to delays in the development of the Company's product candidates and/or the commercialization of the Company's products or reduction in the milestone payments the Company receives from the Company's collaborators, or could result in the Company's not being able to commercialize the Company's products. Further, disagreements with the Company's contractors or collaborators could require or result in litigation or arbitration, which would be time-consuming and expensive. The Company's ultimate success may depend upon the success and performance on the part of these third parties. If the Company fails to maintain these relationships or establish new relationships as required, development of the Company's product candidates and/or the commercialization of the Company's products will be delayed or may never be realized.

The Company is exposed to product liability, non-clinical and clinical liability risks which could place a substantial financial burden upon the Company, should lawsuits be filed against the Company.

The Company's business exposes the Company to potential product liability and other liability risks that are inherent in the testing, manufacturing and marketing of pharmaceutical formulations and products. The Company expects that such claims are likely to be asserted against the Company at some point. In addition, the use in the Company's clinical trials of pharmaceutical formulations and products and the subsequent sale of these formulations or products by the Company or the Company's potential collaborators may cause the Company to bear a portion of or all product liability risks. Any claim under any existing insurance policies or any insurance policies secured in the future may be subject to certain exceptions, and may not be honored fully, in part, in a timely manner, or at all, and may not cover the full extent of liability the Company may actually face. Therefore, a successful liability claim or series of claims brought against the Company could have a material adverse effect on the Company's business, financial condition and results of operations.

Security breaches and other disruptions could compromise the Company's information and expose the Company to liability, which would cause the Company's business and reputation to suffer.

In the ordinary course of the Company's business, the Company collects and store sensitive data, including intellectual property, the Company's proprietary business information and that of the Company's customers, suppliers and business partners and personally identifiable information of the Company's customers and employees, in the Company's data centers and on the Company's networks. The secure processing, maintenance and transmission of this information is critical to the Company's operations and business strategy. Despite the Company's security measures, the Company's information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise the Company's networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and regulatory penalties, disrupt the Company's operations and the products the Company provides to customers, and damage the Company's reputation, and cause a loss of confidence in the Company's products, which could adversely affect the Company's business/operating margins, revenues and competitive position.

Risks Related to Government Regulation of the Company's Industry

Legislative or regulatory reform of the healthcare system may affect the Company's ability to sell the Company's products profitably.

In both the U.S. and certain foreign jurisdictions, there have been a number of legislative and regulatory proposals to change the healthcare system in ways that could impact the Company's ability to sell the Company's future products and profitability. On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, "PPACA"), which includes a number of health care reform provisions and requires most U.S. citizens to have health insurance. The new law, among other things, imposes a significant annual fee on companies that manufacture or import branded prescription drug products, addresses a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected, increases the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extends the rebate program to individuals enrolled in Medicaid managed care organizations, and establishes a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D. Substantial new provisions affecting compliance also have been added, which may require modification of business practices with health care practitioners.

In the coming years, additional changes could be made to governmental healthcare programs that could significantly impact the success of the Company's future products, and the Company could be adversely affected by current and future health care reforms.

The Company's industry and the Company are subject to intense regulation from the U.S. Government and such other governments and quasi-official regulatory bodies where the Company's products are and product candidates may be sold.

Both before and after regulatory approval to market a particular product candidate, including the Company's product candidates, the manufacturing, labeling, packaging, adverse event reporting, storage, advertising, promotion, distribution and record keeping related to the product are subject to extensive, ongoing regulatory requirements, including, without limitation, submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with current Good Manufacturing Practices ("cGMP") requirements and good clinical practice requirements for any clinical trials that the Company conduct post-approval. As a result, the Company is subject to a number of governmental and other regulatory risks, which include:

- clinical development is a long, expensive and uncertain process; delay and failure can occur at any stage of the Company's clinical trials;
- the Company's clinical trials are dependent on patient enrollment and regulatory approvals; the Company does not know whether the Company's planned trials will begin on time, or at all, or will be completed on schedule, or at all;
- the FDA or other regulatory authorities may not approve a clinical trial protocol or may place a clinical trial on hold;
- the Company relies on third parties, such as consultants, contract research organizations, medical institutions and clinical investigators, to conduct clinical trials for the Company's drug candidates and if the Company or any of the Company's third-party contractors fail to comply with applicable regulatory requirements, such as cGMP requirements, the clinical data generated in the Company's clinical trials may be deemed unreliable and the FDA, the European Medicines Agency or comparable foreign regulatory authorities may require the Company to perform additional clinical trials;
- if the clinical development process is completed successfully, the Company's ability to derive revenues from the sale of the Company's product candidates will depend on the Company's first obtaining FDA or other comparable foreign regulatory approvals, each of which are subject to unique risks and uncertainties;
- there is no assurance that the Company will receive FDA or corollary foreign approval for any of the Company's product candidates for any indication; the Company is subject to government regulation for the commercialization of the Company's product candidates;
- the Company has not received regulatory approval in the U.S. for the commercial sale of any of the Company's product candidates;
- even if one or more of the Company's product candidates does obtain approval, regulatory authorities may approve such product candidate for fewer or more limited indications than the Company requests, may not approve the price the Company intends to charge for the Company's products, may grant approval contingent on the performance of costly post-marketing clinical trials or may approve with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate;
- undesirable side effects caused by the Company's product candidates could cause the Company or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities;
- later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with the Company's third-party manufacturers or manufacturing processes, or failure to comply with the regulatory requirements of FDA and other applicable U.S. and foreign regulatory authorities could subject the Company to administrative or judicially imposed sanctions;
- the FDA's policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of the Company's drug candidates, and if the Company is slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if the Company is not able to maintain regulatory compliance, the Company may lose any marketing approval that the Company may have obtained; and

- the Company may be liable for contamination or other harm caused by hazardous materials used in the operations of the Company's business.

In addition, the Company's operations are also subject to various federal and state fraud and abuse, physician payment transparency and privacy and security laws, including, without limitation:

- The federal Anti-Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or providing remuneration to induce the purchase or recommendation of an item or service reimbursable under a federal healthcare program, such as the Medicare or Medicaid programs. This statute has been applied to pharmaceutical manufacturer marketing practices, educational programs, pricing policies and relationships with healthcare providers. A person or entity does not need to have actual knowledge of this statute or specific intent to violate it to have committed a violation;

- Federal civil and criminal false claims laws and civil monetary penalty laws, including civil whistleblower or qui tam actions that prohibit, among other things, knowingly presenting, or causing to be present, claims for payment or approval to the federal government that are false or fraudulent, knowingly making a false statement material to an obligation to pay or transmit money or property to the federal government or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay or transmit money or property to the federal government. The government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the false claims statutes;

- The Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulations, which created federal criminal laws that prohibit, among other things, executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, also imposes certain regulatory and contractual requirements regarding the privacy, security and transmission of individually identifiable health information;

- Federal "sunshine" requirements imposed by the PPACA on drug manufacturers regarding any "transfer of value" made or distributed to physicians and teaching hospitals, and any ownership and investment interests held by such physicians and their immediate family members. Failure to submit the required information may result in civil monetary penalties of up an aggregate of $150,000 per year (and up to an aggregate of $1 million per year for "knowing failures"), for all payments, transfers of value or ownership or investment interests not reported in an annual submission, and may result in liability under other federal laws or regulations; and

- State and foreign law equivalents of each of the above federal laws, such as anti-kickback and false claims laws that may apply to items or services reimbursed by any third-party payor, including commercial insurers; state laws that require drug manufacturers to comply with the industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and state laws governing the privacy and security of certain health information, many of which differ from each other in significant ways and often are not preempted by HIPAA.

Risks Related to the Company's Common Stock

The trading in the Company's shares is regulated by the SEC and is subject to the "Penny Stock" rules. These rules may have the effect of reducing trading activity in the Company's stock and provide an illiquid market for the Company's securities.

Although the Company's shares are currently traded at a price higher than $5.00, the Company's shares have frequently traded in the past at a price lower than $5.00. If the Company's share price goes below $5.00, the shares will be defined as a "Penny Stock" under the Exchange Act and rules of the SEC. Penny stocks generally are equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system). Penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The broker-dealer must also make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These requirements may have the effect of reducing the level of trading activity, if any, in the secondary market for a security that becomes subject to the penny stock rules. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in the Company's securities, which could severely limit the market price and liquidity of the Company's securities. These requirements may restrict the ability of broker-dealers to sell the Company's Common Stock and may affect your ability to resell the Company's Common Stock.

The Company will incur ongoing costs and expenses for SEC reporting and compliance. Without revenue, the Company may not be able to remain in compliance, making it difficult for investors to sell their shares, if at all.

The Company's shares are quoted on the OTCQB Market under the symbol "OPNT." To be eligible for quotation, issuers must remain current in their filings with the SEC. In order for the Company to remain in compliance, the Company will require cash to cover the cost of these filings, which could comprise a substantial portion of the Company's available cash resources. If the Company is unable to remain in compliance, it may be difficult for the Company's stockholders to resell any shares, if at all.

The price of the Company's Common Stock could be highly volatile due to a number of factors, which could lead to losses by investors and costly securities litigation.

The Company's Common Stock is listed on the OTCQB Market under the symbol "OPNT." The stock market in general, and the market for pharmaceutical companies in particular, has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The trading price of the Company's Common Stock has experienced substantial volatility and is likely to continue to be highly volatile in response to a number of factors including, without limitation, the following:

- limited daily trading volume resulting in the lack of a liquid market;
- fluctuations in price and volume due to investor speculation and other factors that may not be tied to the financial performance of the Company;
- performance by the Company in the execution of its business plan;
- financial viability;
- actual or anticipated variations in the Company's operating results;
- announcements of developments by the Company or the Company's competitors;
- market conditions in the Company's industry;
- announcements by the Company or the Company's competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- adoption of new accounting standards affecting the Company's industry;

- additions or departures of key personnel;
- introduction of new products by the Company or the Company's competitors;
- sales of the Company's Common Stock or other securities in the open market;
- regulatory developments in both the U.S. and foreign countries;
- performance of products sold and advertised by licensees in the marketplace;
- economic and other external factors;
- period-to-period fluctuations in financial results; and;
- other events or factors, including the other factors described in this "Risk Factors" section.

The Company does not anticipate declaring any cash dividends on the Company's Common Stock.

The Company currently intends to retain any future earnings for use in the operation and expansion of the Company's business. Accordingly, the Company does not expect to pay any dividends in the foreseeable future, but will review this policy from time to time as circumstances dictate.

The Company may register an aggregate of at least 15,715 shares of Common Stock, at least 45,000 shares of Common Stock underlying warrants and at least 2,000,000 shares of Common Stock underlying options in the first half of 2017. The sales of such shares could depress the market price of the Company's Common Stock.

The Company may register an aggregate of at least 15,715 shares of Common Stock, at least 45,000 shares of Common Stock underlying warrants and at least 2,000,000 shares of Common Stock underlying options under a registration statement on Form S-1 in the first half of 2017. Assuming 2,060,715 total shares were registered, it would represent approximately 101.17% of the Company's shares of Common Stock outstanding as of December 5, 2016, assuming that all the security holders exercised all of their warrants and options. The sale of these shares into the public market could depress the market price of the Company's Common Stock.

Certain of the Company's executive officers and directors control the direction of the Company's business by means of a significant collective ownership of the Company's common stock. The concentrated beneficial ownership of the Company's common stock may prevent other stockholders from influencing significant corporate decisions.

Dr. Roger Crystal, the Company's Chief Executive Officer and a director, Kevin Pollack, the Company's Chief Financial Officer and a director, Dr. Michael Sinclair, the Company's Executive Chairman and Chairman of the Board, and Geoffrey Wolf, a director, collectively beneficially own approximately 70.20% of the Company's outstanding Common Stock as of December 5, 2016. As a result, such executive officers and directors effectively control the Company and have the ability to exert substantial influence over all matters requiring approval by the Company's stockholders, including the election and removal of directors, amendments to the Company's Articles of Incorporation, and any proposed merger, consolidation or sale of all or substantially all of the Company's assets and other corporate transactions. This concentration of ownership could be disadvantageous to other stockholders with differing interests from such executive officers and directors.

As an "emerging growth company" under applicable law, the Company is subject to lessened disclosure requirements, which could leave the Company's stockholders without information or rights available to stockholders of more mature companies.

For as long as the Company remains an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (which we refer to herein as the "JOBS Act"), the Company has elected to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");
- taking advantage of an extension of time to comply with new or revised financial accounting standards;
- reduced disclosure obligations regarding executive compensation in the Company's periodic reports and proxy statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

The Company expects to take advantage of these reporting exemptions until the Company is no longer an "emerging growth company." Because of these lessened regulatory requirements, the Company's stockholders would be left without information or rights available to stockholders of more mature companies.

Because the Company has elected to use the extended transition period for complying with new or revised accounting standards for an "emerging growth company," its financial statements may not be comparable to companies that comply with public company effective dates.

The Company has elected to use the extended transition period for complying with new or revised accounting standards under Section 102(b)(1) of the JOBS Act. This election allows the Company to delay the adoption of new or revised accounting standards that have different effective dates for public and private companies until those standards apply to private companies. As a result of this election, the Company's financial statements may not be comparable to companies that comply with public company effective dates, and thus investors may have difficulty evaluating or comparing the Company's business, performance or prospects in comparison to other public companies, which may have a negative impact on the value and liquidity of the Company's Common Stock.

The Company will incur ongoing costs and expenses for SEC reporting and compliance. Without significant revenue the Company may not be able to remain in compliance, making it difficult for investors to sell their shares, if at all.

The Company's shares are quoted on the OTCQB Market under the symbol "OPNT". To be eligible for quotation, issuers must remain current in their filings with the SEC. In order for the Company to remain in compliance, the Company will require cash to cover the cost of these filings, which could comprise a substantial portion of the Company's available cash resources. If the Company is unable to remain in compliance it may be difficult for the Company's stockholders to resell any shares, if at all.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Exhibit Title
10.1	Office License Agreement, effective September 1, 2016, by and between Opiant Pharmaceuticals, Inc. and Premier Office Centers, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 8, 2016).
10.2	Office License Agreement Amendment No. 1, effective October 1, 2016, by and between Opiant Pharmaceuticals, Inc. and Premier Office Centers, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 6, 2016).
31.1	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from the Opiant Pharmaceuticals, Inc. Form 10-Q for the quarter ended October 31, 2016, formatted in Extensible Business Reporting Language (XBRL): (i) Balance Sheets as of October 31, 2016 and July 31, 2016 (Unaudited), (iii) Statements of Operations for the three months ended October 31, 2016 and 2015 (Unaudited), (iii) Statements of Stockholders' Deficit for the three months ended October 31, 2016 and 2015 (Unaudited), (iv) Statements of Cash Flows for the three months ended October 31, 2016 and 2015 (Unaudited), and (iv) Notes to the Financial Statements (Unaudited).

* In accordance with SEC Release 33-8238, Exhibit 32.1 and 32.2 are being furnished and not filed.

SIGNATURES

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

OPIANT PHARMACEUTICALS, INC.

Date: December 15, 2016

By: /s/ *Dr. Roger Crystal*
Name: Dr. Roger Crystal
Title: Chief Executive Officer, President and Director
(Principal Executive Officer)

Date: December 15, 2016

By: /s/ *Kevin Pollack*
Name: Kevin Pollack
Title: Chief Financial Officer and Director
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER,
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES–OXLEY ACT OF 2002

I, Dr. Roger Crystal, Chief Executive Officer of Opiant Pharmaceuticals, Inc., certify that:

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

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

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

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: December 15, 2016

By: */s/ Dr. Roger Crystal*
Dr. Roger Crystal
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER,
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Kevin Pollack, Chief Financial Officer of Opiant Pharmaceuticals, Inc., certify that:

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

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

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

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: December 15, 2016

By: /s/ *Kevin Pollack*
Kevin Pollack
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Opiant Pharmaceuticals, Inc. (the "Company") for the period ended October 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Dr. Roger Crystal, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 15, 2016

By: */s/ Dr. Roger Crystal*
Dr. Roger Crystal
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Opiant Pharmaceuticals, Inc. (the "Company") for the period ended October 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Kevin Pollack, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 15, 2016

By: /s/ *Kevin Pollack*
Kevin Pollack
Chief Financial Officer
(Principal Financial and Accounting Officer)