

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

AYTU BIOSCIENCE, INC

Form: 4

Date Filed: 2019-04-22

Corporate Issuer CIK: 1385818

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden hours
per response... 0.5

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person ARMISTICE CAPITAL, LLC			2. Issuer Name and Ticker or Trading Symbol AYTU BIOSCIENCE, INC [AYTU]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
(Last) (First) (Middle) 510 MADISON AVENUE, 7TH FLOOR,			3. Date of Earliest Transaction (Month/Day/Year) 04/18/2019					
(Street) NEW YORK, NY 10022			4. If Amendment, Date Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person		
(City) (State) (Zip)			Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned					
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock	04/18/2019		J(1)(2)(3)	3,120,064 A	(1) (2) (3)	D (4)		
Common Stock	04/18/2019		J(1)(2)(3)	0 A \$ 0	5,120,064	I	See Footnote (4)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)				5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)				6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares								
Series E Convertible Preferred Stock	\$ 0.88 (1) (2) (3)	04/18/2019		J (1) (2) (3)		2,751,148		(1) (2) (3)	(1) (2) (3)	Common Stock	2,751,148 (1) (2) (3)	(1) (2) (3)	2,751,148 (1) (2) (3)	D (4)					
Series E Convertible Preferred Stock	\$ 0.88 (1) (2) (3)	04/18/2019		J (1) (2) (3)		0		(1) (2) (3)	(1) (2) (3)	Common Stock	0	\$ 0	2,751,148 (1) (2) (3)	I	See Footnote (4)				
Warrant	\$ 1	04/18/2019		J (1) (2) (3)		4,403,409		(1) (2) (3)	(1) (2) (3)	Common Stock	4,403,409	(1) (2) (3)	4,403,409	D (4)					
Warrant	\$ 1	04/18/2019		J (1) (2) (3)		0		(1) (2) (3)	(1) (2) (3)	Common Stock	0	\$ 0	4,403,409	I	See Footnote (4)				
Warrant	\$ 10.8							(5)	03/06/2023	Common Shares	222,222		222,222	D (4)					
Warrant	\$ 10.8							(5)	03/06/2023	Common Shares	0		222,222	I	See Footnote (4)				
Warrant	\$ 10.8							(5)	03/23/2023	Common Shares	100,000		100,000	D (4)					
Warrant	\$ 10.8							(5)	03/23/2023	Common Shares	0		100,000	I	See Footnote (4)				
Warrant	\$ 1.5							(5)	10/09/2023	Common Shares	3,907,165		3,907,165	D (4)					
Warrant	\$ 1.5							(5)	10/09/2023	Common Shares	0		3,907,165	I	1See Footnote (4)				

Reporting Owners

	Director	10% Owner	Officer	Other
ARMISTICE CAPITAL, LLC 510 MADISON AVENUE, 7TH FLOOR NEW YORK, NY 10022	X	X		
Armistice Capital Master Fund Ltd. C/O DMS CORPORATE SERVICES LTD. 20 GENESIS CLOSE, P.O. BOX 314 GRAND CAYMAN, E9 KY1-1104		X		
Boyd Steven C/O ARMISTICE CAPITAL, LLC 510 MADISON AVENUE, 7TH FLOOR NEW YORK, NY 10022	X	X		

Signatures

Armistice Capital, LLC By: /s/ Steven Boyd, Managing Member		04/22/2019
--Signature of Reporting Person		Date
Armistice Capital Master Fund Ltd. By: /s/ Steven Boyd, Director		04/22/2019
--Signature of Reporting Person		Date
/s/ Steven Boyd		04/22/2019
--Signature of Reporting Person		Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On November 29, 2018, the Issuer issued to Armistice Capital Master Fund Ltd., a Cayman Islands corporation (the "Master Fund"), a secured promissory note in the principal amount of \$5,000,000 (the "Promissory Note"). The Promissory Note carried an annual interest rate of 8% and had a three-year term. On February 5, 2019, the Issuer and the Master Fund entered in to an exchange agreement (the "Exchange Agreement") pursuant to which the Master Fund agreed to exchange the Promissory Note for: (i) 3,120,064 Shares (the "New Shares"); (ii) 2,751,148 shares of the Issuer's Series E Convertible Preferred Stock (the "Series E Preferred Stock"); and (iii) a Common Stock Purchase Warrant (the "Warrant", and collectively with the New Shares and the Series E Preferred Stock, the "Exchange Securities"). As consideration for the Issuer's issuance of the Exchange Securities to the Master Fund, the Master Fund agreed to cancel the Promissory Note and all principal and interest owed thereunder.

(Continued from Footnote 1) Each share of the Series E Preferred Stock has a stated value of \$0.88 (the "Stated Value"), subject to increase pursuant to the terms of the Issuer's Certificate of Designation of Preferences, Rights and Limitations of Series E Preferred Stock (the "Series E COD"). The Series E Preferred Stock has no expiration date and is convertible into Shares at the option of the holder at any time after the issue date into that number of Shares determined by dividing the Stated Value by the conversion price of \$0.88, which is subject to adjustment pursuant to the terms of the Series E COD; provided, however, that each holder is subject to a blocker provision that prevents it from converting its Series E Preferred Stock if it would be more than a 40% beneficial owner of the Shares following such conversion.

(Continued from Footnote 2) The Warrant permits the Master Fund to purchase 4,403,409 Shares at an exercise price of \$1.00 per Share, which is subject to adjustment pursuant to the terms of the Warrant; provided, however, that each holder is subject to a subject to a blocker provision that prevents it from exercising the warrants if it would be more than a 40% beneficial owner of the Shares following such exercise. The Warrant is currently exercisable and expires on the five-year anniversary of the date of its issuance. The transactions contemplated by the Exchange Agreement (the "Armistice Transaction") were approved by the Issuer's stockholders on April 12, 2019 and announced on the Form 8-K filed with the SEC by the Issuer on April 19, 2019. The Issuer closed the Armistice Transaction and issued the securities to the Master Fund on

The reported securities are directly owned by the Master Fund and may be deemed to be indirectly beneficially owned by Armistice Capital, LLC ("Armistice Capital"), as the investment manager of the Master Fund. The reported securities may also be deemed to be indirectly beneficially owned by Steven Boyd as Managing Member of Armistice Capital. Armistice Capital and Steven Boyd disclaim beneficial ownership of the reported securities except to the extent of their respective pecuniary interest therein, and this report shall not be deemed an admission that either of them are the beneficial owners of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

These warrants are currently exercisable, subject to a blocker provision that prevents the Master Fund from exercising the warrants if it would be more than a 4.99% beneficial owner of the Common Stock following such exercise.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden hours
per response... 0.5

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person ARMISTICE CAPITAL, LLC			2. Issuer Name and Ticker or Trading Symbol AYTU BIOSCIENCE, INC [AYTU]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
(Last) (First) (Middle) 510 MADISON AVENUE, 7TH FLOOR,			3. Date of Earliest Transaction (Month/Day/Year) 04/18/2019					
(Street) NEW YORK, NY 10022			4. If Amendment, Date Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person		
(City) (State) (Zip)			Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned					
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock	04/18/2019		J(1)(2)(3)	3,120,064 A	(1)(2)(3) 5,120,064	D (4)		
Common Stock	04/18/2019		J(1)(2)(3)	0 A \$ 0	5,120,064	I	See Footnote (4)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series E Convertible Preferred Stock	\$ 0.88 (1) (2) (3)	04/18/2019		J (1) (2) (3)		2,751,148		(1) (2) (3)	(1) (2) (3)	Common Stock	2,751,148 (1) (2) (3)	(1) (2) (3)	2,751,148 (1) (2) (3)	D (4)	
Series E Convertible Preferred Stock	\$ 0.88 (1) (2) (3)	04/18/2019		J (1) (2) (3)		0		(1) (2) (3)	(1) (2) (3)	Common Stock	0	\$ 0	2,751,148 (1) (2) (3)	I	See Footnote (4)
Warrant	\$ 1	04/18/2019		J (1) (2) (3)		4,403,409		(1) (2) (3)	(1) (2) (3)	Common Stock	4,403,409	(1) (2) (3)	4,403,409	D (4)	
Warrant	\$ 1	04/18/2019		J (1) (2) (3)		0		(1) (2) (3)	(1) (2) (3)	Common Stock	0	\$ 0	4,403,409	I	See Footnote (4)
Warrant	\$ 10.8							(5)	03/06/2023	Common Shares	222,222		222,222	D (4)	
Warrant	\$ 10.8							(5)	03/06/2023	Common Shares	0		222,222	I	See Footnote (4)
Warrant	\$ 10.8							(5)	03/23/2023	Common Shares	100,000		100,000	D (4)	
Warrant	\$ 10.8							(5)	03/23/2023	Common Shares	0		100,000	I	See Footnote (4)
Warrant	\$ 1.5							(5)	10/09/2023	Common Shares	3,907,165		3,907,165	D (4)	
Warrant	\$ 1.5							(5)	10/09/2023	Common Shares	0		3,907,165	I	1See Footnote (4)

Reporting Owners

	Director	10% Owner	Officer	Other
ARMISTICE CAPITAL, LLC 510 MADISON AVENUE, 7TH FLOOR NEW YORK, NY 10022	X	X		
Armistice Capital Master Fund Ltd. C/O DMS CORPORATE SERVICES LTD. 20 GENESIS CLOSE, P.O. BOX 314 GRAND CAYMAN, E9 KY1-1104		X		
Boyd Steven C/O ARMISTICE CAPITAL, LLC 510 MADISON AVENUE, 7TH FLOOR NEW YORK, NY 10022	X	X		

Signatures

Armistice Capital, LLC By: /s/ Steven Boyd, Managing Member		04/22/2019
--Signature of Reporting Person		Date
Armistice Capital Master Fund Ltd. By: /s/ Steven Boyd, Director		04/22/2019
--Signature of Reporting Person		Date
/s/ Steven Boyd		04/22/2019
--Signature of Reporting Person		Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On November 29, 2018, the Issuer issued to Armistice Capital Master Fund Ltd., a Cayman Islands corporation (the "Master Fund"), a secured promissory note in the principal amount of \$5,000,000 (the "Promissory Note"). The Promissory Note carried an annual interest rate of 8% and had a three-year term. On February 5, 2019, the Issuer and the Master Fund entered in to an exchange agreement (the "Exchange Agreement") pursuant to which the Master Fund agreed to exchange the Promissory Note for: (i) 3,120,064 Shares (the "New Shares"); (ii) 2,751,148 shares of the Issuer's Series E Convertible Preferred Stock (the "Series E Preferred Stock"); and (iii) a Common Stock Purchase Warrant (the "Warrant", and collectively with the New Shares and the Series E Preferred Stock, the "Exchange Securities"). As consideration for the Issuer's issuance of the Exchange Securities to the Master Fund, the Master Fund agreed to cancel the Promissory Note and all principal and interest owed thereunder.

(Continued from Footnote 1) Each share of the Series E Preferred Stock has a stated value of \$0.88 (the "Stated Value"), subject to increase pursuant to the terms of the Issuer's Certificate of Designation of Preferences, Rights and Limitations of Series E Preferred Stock (the "Series E COD"). The Series E Preferred Stock has no expiration date and is convertible into Shares at the option of the holder at any time after the issue date into that number of Shares determined by dividing the Stated Value by the conversion price of \$0.88, which is subject to adjustment pursuant to the terms of the Series E COD; provided, however, that each holder is subject to a blocker provision that prevents it from converting its Series E Preferred Stock if it would be more than a 40% beneficial owner of the Shares following such conversion.

(Continued from Footnote 2) The Warrant permits the Master Fund to purchase 4,403,409 Shares at an exercise price of \$1.00 per Share, which is subject to adjustment pursuant to the terms of the Warrant; provided, however, that each holder is subject to a subject to a blocker provision that prevents it from exercising the warrants if it would be more than a 40% beneficial owner of the Shares following such exercise. The Warrant is currently exercisable and expires on the five-year anniversary of the date of its issuance. The transactions contemplated by the Exchange Agreement (the "Armistice Transaction") were approved by the Issuer's stockholders on April 12, 2019 and announced on the Form 8-K filed with the SEC by the Issuer on April 19, 2019. The Issuer closed the Armistice Transaction and issued the securities to the Master Fund on

The reported securities are directly owned by the Master Fund and may be deemed to be indirectly beneficially owned by Armistice Capital, LLC ("Armistice Capital"), as the investment manager of the Master Fund. The reported securities may also be deemed to be indirectly beneficially owned by Steven Boyd as Managing Member of Armistice Capital. Armistice Capital and Steven Boyd disclaim beneficial ownership of the reported securities except to the extent of their respective pecuniary interest therein, and this report shall not be deemed an admission that either of them are the beneficial owners of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

These warrants are currently exercisable, subject to a blocker provision that prevents the Master Fund from exercising the warrants if it would be more than a 4.99% beneficial owner of the Common Stock following such exercise.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.