

Lappe Mark  
Form 4  
February 10, 2011

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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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, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Efficacy Capital, Ltd.

2. Issuer Name and Ticker or Trading Symbol  
AEOLUS PHARMACEUTICALS, INC. [AOLS]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
11622 EL CAMINO REAL, SUITE 100,  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
01/06/2011

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

SAN DEIGO, CA 92130

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_\_ Form filed by One Reporting Person  
 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 Ownership (Instr. 4)		
				Code V	Amount	(A) or (D)	Price		
Common Stock	01/06/2011		J <sup>(1)</sup>	616,450	D	\$ 0 <sub>(1)</sub>	9,183,550	I	See Footnote <sup>(2)</sup>
Common Stock	02/08/2011		J <sup>(1)</sup>	776,904	D	\$ 0 <sub>(1)</sub>	8,406,646	I	See Footnote <sup>(2)</sup>

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

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number.

**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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Common Stock Warrants (Right to Buy)	\$ 0.75	01/06/2011		J <sup>(1)</sup>	479,461	06/05/2006 <sup>(3)</sup>	06/05/2011	Common Stock	479,461
Common Stock Warrants (Right to Buy)	\$ 0.75	02/08/2011		J <sup>(1)</sup>	604,258	06/05/2006 <sup>(3)</sup>	06/05/2011	Common Stock	604,258

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Efficacy Capital, Ltd. 11622 EL CAMINO REAL, SUITE 100 SAN DEIGO, CA 92130		X		
Lappe Mark 11622 EL CAMINO REAL SUITE 100 SAN DIEGO, CA 92130		X		
Efficacy Biotech Fund L.P. 11622 EL CAMINO REAL SUITE 100 SAN DIEGO, CA 92130		X		
Efficacy Biotech Fund LTD 11622 EL CAMINO REAL SUITE 100 SAN DIEGO, CA 92130		X		
Efficacy Biotech Master Fund Ltd. 11622 EL CAMINO REAL		X		

SUITE 100  
SAN DIEGO, CA 92130

## Signatures

Efficacy Capital, Ltd., by /s/ Mark Lappe, Managing Partner	02/10/2011
__Signature of Reporting Person	Date
/s/ Mark Lappe	02/10/2011
__Signature of Reporting Person	Date
Efficacy Biotech Fund L.P., By Efficacy Capital Ltd., Investment Manager, By /s/ Mark Lappe, Managing Partner	02/10/2011
__Signature of Reporting Person	Date
Efficacy Biotech Fund LTD, By Efficacy Capital Ltd., Investment Manager, By /s/ Mark Lappe, Managing Partner	02/10/2011
__Signature of Reporting Person	Date
Efficacy Biotech Master Fund Ltd., By Efficacy Capital Ltd., Investment Manager, By /s/ Mark Lappe, Managing Partner	02/10/2011
__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).

(1) Distribution of securities to fund investor.

These shares are owned directly by Efficacy Biotech Master Fund Ltd. The Reporting Company acts as an investment advisor with investment and voting discretion over portfolio investments. The Reporting Company is an indirect beneficial owner of the reported securities.

(3) The warrant is exercisable at any time, provided that such date is no later than the expiration date of the warrant.

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.