

VistaGen Therapeutics, Inc.
Form DEF 14A
July 27, 2018

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant [X]
Filed by a Party other than the Registrant []

Check the appropriate box:

- [] Preliminary Proxy Statement
- [] Confidential, for Use of the SEC Only (as permitted by Rule 14a-6(e)(2))
- [X] Definitive Proxy Statement
- [] Definitive Additional Materials
- [] Soliciting Material Pursuant to 14a-12

VistaGen Therapeutics, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
4. Proposed maximum aggregate value of transaction:
5. Total fee paid:

- [] Fee paid previously with preliminary materials.
- [] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1. Amount Previously Paid:
2. Form, Schedule or Registration Statement No.:
3. Filing Party:

4. Date Filed:

July 27, 2018

Dear Stockholders of VistaGen Therapeutics, Inc.:

You are cordially invited to attend the 2018 Annual Meeting of Stockholders of VistaGen Therapeutics, Inc. (the Annual Meeting). The Annual Meeting will be held at the San Francisco Airport Marriott Waterfront Hotel, located at 1800 Old Bayshore Highway, Burlingame, California 94010, on Friday, September 14, 2018, at 10:00 a.m. local time.

Details of the business to be conducted at the Annual Meeting are described both in the Notice of Internet Availability of Proxy Materials (the Notice) you have received in the mail and in this Proxy Statement. We have also made our Annual Report on Form 10-K for our fiscal year ended March 31, 2018 (Annual Report) available to you with this Proxy Statement. We encourage you to read our Annual Report. It includes our audited financial statements and provides information about recent company highlights, upcoming milestones and progress executing on key priorities of our corporate strategy.

As part of our efforts to conserve environmental resources and prevent unnecessary corporate expenses, we have elected to provide access to our proxy materials electronically over the Internet, rather than producing and mailing paper copies. We believe that providing our proxy materials over the Internet increases our stockholders' ability to access information they need, while also conserving natural resources and reducing the costs of our Annual Meeting.

Regardless of whether you plan to attend our Annual Meeting in person, please read the accompanying Proxy Statement and then vote by Internet, telephone or postal mail as promptly as possible. Please refer to the Notice for instructions on submitting your votes. Voting promptly will save us additional expense in further soliciting proxies and will ensure that your shares are represented at the Annual Meeting.

Our Board of Directors has unanimously approved the proposals set forth in the accompanying Proxy Statement and we recommend that you vote in favor of each such proposal.

We look forward to seeing you at our Annual Meeting.

Sincerely,

Jon S. Saxe
Chairman of the Board of Directors

VistaGen Therapeutics, Inc.
343 Allerton Avenue
South San Francisco, CA 94080
Tel. (650) 577-3600
Fax (888) 482-2602

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on September 14, 2018

Dear Stockholders of VistaGen Therapeutics, Inc.:

We are pleased to invite you to attend the 2018 Annual Meeting of Stockholders (the Annual Meeting) of VistaGen Therapeutics, Inc., a Nevada corporation (the Company, us, we or our), which will be held at the San Francisco Airport Marriott Waterfront Hotel, located at 1800 Old Bayshore Highway, Burlingame, California 94010, on Friday, September 14, 2018, at 10:00 a.m. local time, for the following purposes:

1.
to elect five directors to our Board of Directors, each to serve until our 2019 Annual Meeting of Stockholders, or until his respective successor is elected and qualified;
2.
to ratify the appointment of OUM & Co. LLP as our independent registered public accounting firm for our fiscal year ending March 31, 2019; and
3.
to vote upon such other matters as may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

These matters are more fully discussed in the attached Proxy Statement.

We have elected to provide access to our proxy materials primarily electronically over the Internet, pursuant to the U.S. Securities and Exchange Commission's (SEC) "notice and access" rules. We believe this process expedites stockholders' receipt of proxy materials, conserves natural resources and reduces the costs of our Annual Meeting. On or about July 27, 2018, we mailed a Notice of Internet Availability of Proxy Materials (the Notice) to each of our stockholders entitled to notice of and to vote at the Annual Meeting, which contained instructions for accessing the attached Proxy Statement, our Annual Report on Form 10-K for our fiscal year ended March 31, 2018 (the Annual Report) and voting instructions. The Notice also included instructions on how you can receive a paper copy of your proxy materials. The Proxy Statement and the Annual Report both are available on the Internet at:
www.envisionreports.com/VTGN

The close of business on Friday, July 20, 2018 (the Record Date) has been fixed as the Record Date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting or any adjournments or postponements thereof. Only holders of record of our common stock at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting. A complete list of these stockholders will be available for examination by any of our stockholders for purposes pertaining to the Annual Meeting at our corporate offices, located at 343 Allerton Avenue, South San Francisco, California 94080, during normal business hours for a period of ten days prior to the Annual Meeting, and at the time and place of the Annual Meeting.

YOUR VOTES ARE IMPORTANT

All stockholders are cordially invited to attend the Annual Meeting in person. However, to ensure your representation at the Annual Meeting, you are urged to vote by Internet, telephone or postal mail as promptly as possible. Submitting your votes assures that a quorum will be present at the Annual Meeting and will avoid the additional expense of duplicate proxy solicitations. Any stockholder attending the Annual Meeting may vote in person, even if he or she has returned a proxy prior to the Annual Meeting.

Whether or not you expect to attend our Annual Meeting in person, we urge you to vote your shares as promptly as possible by Internet, telephone or postal mail so that your shares may be represented and voted at the Annual Meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

Our Board of Directors has unanimously recommended that you vote “FOR” Annual Meeting Proposal Nos. 1 and 2, each of which is described in detail in the accompanying Proxy Statement.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING:

THE ANNUAL REPORT AND PROXY STATEMENT ARE AVAILABLE ON THE INTERNET AT www.envisionreports.com/VTGN

By Order of the Board of Directors,

Shawn K. Singh
Chief Executive Officer and Director
South San Francisco, California
July 27, 2018

VistaGen Therapeutics, Inc.
343 Allerton Avenue
South San Francisco, CA 94080
Tel. (650) 577-3600
Fax (888) 482-2602

PROXY STATEMENT

The enclosed proxy is solicited on behalf of the Board of Directors (the Board) of VistaGen Therapeutics, Inc., a Nevada corporation (the Company), for use at the Company's 2018 Annual Meeting of Stockholders (Annual Meeting) to be held on Friday, September 14, 2018, at 10:00 a.m. local time, and at any adjournment or postponement thereof, at the San Francisco Airport Marriott Waterfront Hotel, located at 1800 Old Bayshore Highway, Burlingame, California 94010.

We have elected to provide access to the proxy materials for the Annual Meeting primarily over the Internet in accordance with the U.S. Securities and Exchange Commission's (SEC) "notice and access" rules. On or about July 27, 2018, we mailed a Notice of Internet Availability of Proxy Materials (the Notice) to each of our stockholders entitled to notice of and to vote at our Annual Meeting. The Notice contained instructions for accessing this Proxy Statement, our Annual Report on Form 10-K for our fiscal year ended March 31, 2018 (Annual Report) and Annual Meeting voting instructions. The Notice also included instructions on how you can receive a paper copy of your proxy materials. This Proxy Statement and our Annual Report are available on the Internet at: www.envisionreports.com/VTGN

Voting

The specific proposals to be considered and acted upon at our Annual Meeting are each described in this Proxy Statement. Only holders of our common stock as of the close of business on Friday, July 20, 2018 (the Record Date) are entitled to notice of and to vote at the Annual Meeting. On the Record Date, there were 23,347,615 shares of our common stock issued and outstanding. Each holder of common stock is entitled to one vote for each share held as of the Record Date.

Quorum

In order for any business to be conducted at the Annual Meeting, the holders of more than 50% of the shares entitled to vote must be represented at the Annual Meeting, either in person or by properly executed proxy. If a quorum is not present at the scheduled time of the Annual Meeting, the stockholders who are present may adjourn the Annual Meeting until a quorum is present. The time and place of the adjourned Annual Meeting will be announced at the time the adjournment is taken, and no other notice will be given. An adjournment will have no effect on the business that may be conducted at the Annual Meeting.

Required Vote for Approval

Proposal No. 1: Election of Directors. The five nominees who receive the greatest number of votes cast at the Annual Meeting by the shares present, either in person or by proxy, and entitled to vote will be elected to serve on our Board of Directors until our next annual meeting of stockholders, or until his successor is duly elected and qualified.

Proposal No. 2: Ratification of Appointment of our Independent Registered Public Accounting Firm. The affirmative "FOR" vote of a majority of the shares present in person or by proxy at the Annual Meeting and entitled to vote is required for the ratification of the selection of OUM & Co. LLP as our independent registered public accounting firm

for our current fiscal year.

-1-

Abstentions and Broker Non-Votes

All votes will be tabulated by the inspector of election appointed for the Annual Meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes. An abstention is the voluntary act of not voting by a stockholder who is present at a meeting and entitled to vote. A broker “non-vote” occurs when a broker nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary power for that particular item and has not received instructions from the beneficial owner. If you hold your shares in “street name” through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. If you do not give your broker or nominee specific instructions regarding such matters, your proxy will be deemed a “broker non-vote.”

As noted above, the five director nominees identified under Proposal No. 1 who receive the most votes at the Annual Meeting will be elected, thus abstentions and broker non-votes will have no effect on the outcome of Proposal No. 1.

Under Nevada law and our Amended and Restated Bylaws, Proposal No. 2 will be determined by the vote of the holders of a majority of the voting power present or represented by proxy at the Annual Meeting. For this matter, abstentions and any broker non-votes cast will not be counted as votes in favor of such proposal, and will also not be counted as shares voting on such matter.

Voting and Revocation of Proxies

If your proxy is properly returned to the Company, the shares represented thereby will be voted at the Annual Meeting in accordance with the instructions specified thereon. If you return your proxy without specifying how the shares represented thereby are to be voted, the proxy will be voted in the manner unanimously approved by our Board of Directors, as follows: (i) FOR the election of the five director nominees proposed by our Board; (ii) FOR ratification of the appointment of OUM & Co. LLP as our independent registered public accounting firm for our current fiscal year; and (iii) at the discretion of the proxy holders on any other matter that may properly come before the Annual Meeting or any adjournment or postponement thereof.

You may revoke or change your proxy at any time before the Annual Meeting by filing, with our Corporate Secretary at our principal executive offices, located at 343 Allerton Avenue, South San Francisco, California 94080, a notice of revocation or another signed proxy with a later date. You may also revoke your proxy by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting alone will not revoke your proxy. If you are a stockholder whose shares are not registered in your own name, you will need additional documentation from your broker or record holder to vote personally at the Annual Meeting.

Solicitation

We will bear the entire cost of solicitation, including the preparation, assembly, printing and mailing of the Notice, as well as the preparation and posting on the Internet of this Proxy Statement and any additional solicitation materials furnished to the stockholders. Copies of any solicitation materials will be furnished to brokerage houses, fiduciaries and custodians holding shares in their names that are beneficially owned by others so that they may forward the solicitation materials to such beneficial owners. In addition, we may reimburse such persons for their costs in forwarding the solicitation materials to such beneficial owners. The original solicitation of proxies may be supplemented by a solicitation, by telephone, email or other means, by our directors, officers or employees. No additional compensation will be paid to these individuals for any such services. Except as described above, we do not presently intend to solicit proxies other than by the Internet, telephone, email and postal mail.

MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING

PROPOSAL NO. 1

ELECTION OF DIRECTORS

General

Our Bylaws provide that our Board of Directors (Board) shall consist of not less than one, nor more than seven directors, and that upon any change in the number of directors, any newly created directorships or eliminated directorships shall be apportioned by the remaining members of the Board or by stockholders. Our Board currently consists of five directors, and these five directors are nominated for election at the Annual Meeting to serve until our next annual meeting of stockholders, or until his successor is duly elected and qualified. Each nominee has confirmed that he is able and willing to continue serving as a director if elected. If any of the nominees becomes unable or unwilling to serve, your proxy will be voted for the election of a substitute nominee recommended by the current Board.

Upon recommendation of the members of its Corporate Governance and Nominating Committee, the Board has nominated for election as directors at our Annual Meeting Mr. Shawn K. Singh, Dr. H. Ralph Snodgrass, Mr. Jon S. Saxe, Dr. Brian J. Underdown, and Dr. Jerry B. Gin.

Required Vote and Recommendation

The election of directors requires the affirmative vote of a plurality of the voting shares present or represented by proxy and entitled to vote at the Annual Meeting. The five nominees receiving the highest number of affirmative votes will be elected. Unless otherwise instructed or unless authority to vote is withheld, shares represented by executed proxies will be voted “FOR” the election of the nominees.

The Board recommends that the stockholders vote “FOR” the election of Mr. Singh, Dr. Snodgrass, Mr. Saxe, Dr. Underdown, and Dr. Gin.

The following sections sets forth certain information regarding the nominees for election as directors of the Company. There are no family relationships between any of the directors and the Company’s executive officers.

BOARD OF DIRECTORS

Name	Age	Position
Shawn K. Singh	55	Chief Executive Officer and Director
H. Ralph Snodgrass, Ph.D.	68	President, Chief Scientific Officer and Director
Jon S. Saxe (1)	82	Director
Brian J. Underdown, Ph.D. (2)	77	Director
Jerry B. Gin, Ph.D, MBA (3)	75	Director

- (1) Chairman of the Audit Committee and member of the Compensation Committee and Corporate Governance and Nominating Committee.
- (2) Chairman of the Compensation Committee and member of the Audit Committee and Corporate Governance and Nominating Committee.
- (3) Chairman of the Corporate Governance and Nominating Committee and member of the Audit Committee and Compensation Committee.

Shawn K. Singh has served as our Chief Executive Officer since August 2009, first as the Chief Executive Officer of VistaGen Therapeutics, Inc., a California corporation (VistaGen California), then as Chief Executive Officer of the Company after the merger by and between VistaGen California and the Company on May 11, 2011 (the Merger), at which time VistaGen California became a wholly-owned subsidiary of the Company. Mr. Singh first joined the Board of Directors of VistaGen California in 2000 and served on the VistaGen California management team (part-time) from late-2003, following VistaGen California's acquisition of Artemis Neuroscience, of which he was President, to August 2009. In connection with the Merger, Mr. Singh was appointed as a member of our Board in 2011. Mr. Singh has over 25 years of experience working with biotechnology, medical device and pharmaceutical companies, both private and public. From February 2001 to August 2009, Mr. Singh served as Managing Principal of Cato BioVentures, a life science venture capital firm, and as Chief Business Officer and General Counsel of Cato Research Ltd, a contract research organization (CRO) affiliated with Cato BioVentures. Mr. Singh served as President (part-time) of Echo Therapeutics, a medical device company, from September 2007 to June 2009, and as a member of its Board of Directors from September 2007 to December 2011. He also served as Chief Executive Officer (part-time) of Hemodynamic Therapeutics, a private biopharmaceutical company affiliated with Cato BioVentures, from November 2004 to August 2009. From late-2000 to February 2001, Mr. Singh served as Managing Director of Start-Up Law, a management consulting firm serving biotechnology companies. Mr. Singh also served as Chief Business Officer of SciClone Pharmaceuticals (formerly NASDAQ: SCLN), a specialty pharmaceutical company with a substantial commercial business in China, from late-1993 to late-2000, and as a corporate finance associate of Morrison & Foerster LLP, an international law firm, from 1991 to late-1993. Mr. Singh earned a B.A. degree, with honors, from the University of California, Berkeley, and a Juris Doctor degree from the University of Maryland School of Law. Mr. Singh is a member of the State Bar of California.

We selected Mr. Singh to serve on our Board of Directors due to his substantial practical experience and expertise in senior leadership roles with multiple private and public biotechnology, pharmaceutical and medical device companies, and his extensive experience in corporate finance, venture capital, corporate governance, drug development, intellectual property, regulatory affairs and strategic collaborations.

H. Ralph Snodgrass, Ph.D. co-founded VistaGen California with Dr. Gordon Keller in 1998 and served as the Chief Executive Officer of VistaGen California until August 2009. Dr. Snodgrass has served as the President and Chief Scientific Officer of VistaGen California from inception to the present, and in the same positions with the Company following the completion of the Merger. He served as a member of the Board of Directors of VistaGen California from 1998 to 2011, and was appointed to serve on our Board after the completion of the Merger. Prior to founding VistaGen California, Dr. Snodgrass served as a key member of the executive management team that led Progenitor, Inc., a biotechnology company focused on developmental biology, through its initial public offering, and was its Chief Scientific Officer from June 1994 to May 1998, and its Executive Director from July 1993 to May 1994. He received his Ph.D. in immunology from the University of Pennsylvania, and has 25 years of experience in senior biotechnology management and over 10 year's research experience as an assistant professor at the Lineberger Comprehensive Cancer Center, University of North Carolina Chapel Hill School of Medicine, and as a member of the Institute for Immunology, Basel, Switzerland. Dr. Snodgrass is a past Board Member of the Emerging Company Section of the Biotechnology Industry Organization (BIO), and past member of the International Society Stem Cell Research (ISSCR) Industry Committee. Dr. Snodgrass has published more than 95 scientific papers, is the inventor on more than 21 patents and a number of patent applications, has been, the Principal Investigator on U.S. federal and private foundation sponsored research grants with budgets totaling more than \$14.5 million and is recognized as an expert in stem cell biology with more than 32 years' experience in the uses of stem cells as biological tools for research, drug discovery and development.

We selected Dr. Snodgrass to serve on our Board of Directors due to his expertise in biotechnology focused on developmental biology, including stem cell biology, his extensive senior management experience leading biotechnology companies at all stages of development, as well as his reputation and standing in the fields of

biotechnology and stem cell research, allow him to bring to us and the Board of Directors a unique understanding of the challenges and opportunities associated with pluripotent stem cell biology, as well as credibility in the markets in which we operate.

Jon S. Saxe, J.D., LL.M. has served as Chairman of our Board since 2000, first as Chairman of the Board of Directors of VistaGen California, then as Chairman of our Board after completion of the Merger. He also serves as the Chairman of our Audit Committee. Mr. Saxe is the retired President and was a director of PDL BioPharma from 1989 to 2008. From 1989 to 1993, he was President, Chief Executive Officer and a director of Synergen, Inc. (acquired by Amgen). Mr. Saxe served as Vice President, Licensing & Corporate Development for Hoffmann-Roche from 1984 through 1989, and Head of Patent Law for Hoffmann-Roche from 1978 through 1989. Mr. Saxe currently is a director of Durect Corporation (NASDAQ: DRRX), and six private life science companies, Arbor Vita Corporation, Arcuo Medical, LLC, Cancer Prevention Pharmaceuticals, Inc., Lumos Pharma, Inc., Trellis Bioscience, Inc. and Epalex Corporation. Mr. Saxe has also served as a director of other biotechnology and pharmaceutical companies, including ID Biomedical (acquired by GlaxoSmithKline), Sciele Pharmaceuticals, Inc. (acquired by Shionogi), Amalyte (acquired by Kemin Industries), Cell Pathways (acquired by OSI Pharmaceuticals), and other companies, both public and private. Mr. Saxe has a B.S.Ch.E. from Carnegie-Mellon University, a J.D. degree from George Washington University and an LL.M. degree from New York University.

We selected Mr. Saxe to serve as Chairman of our Board of Directors due to his numerous years of experience as a senior executive with major pharmaceutical and biotechnology companies, including Protein Design Labs, Inc., Synergen, Inc. and Hoffmann-Roche, Inc., as well as his extensive experience serving as a director of numerous private and public biotechnology and pharmaceutical companies, serving as Chairman, and Chair and member of audit, compensation and governance committees of both private and public companies. Mr. Saxe provides us and our Board of Directors with highly valuable insight and perspective into the biotechnology and pharmaceutical industries, as well as the strategic opportunities and challenges that we face.

Brian J. Underdown, Ph.D. has served as a member of our Board of Directors since November 2009, first as a director of VistaGen California, then as a member of our Board after the completion of the Merger. Dr. Underdown retired as a Venture Partner with Lumira Capital Corp. in December 2016, after having served as a Managing Director with Lumira from September 1997 through December 2015. His investment focus has been on therapeutics in both new and established companies in both Canada and the United States. Prior to joining Lumira and its antecedent company MDS Capital Corp., Dr. Underdown held a number of senior management positions in the biopharmaceutical industry and at universities. Dr. Underdown's current board positions include the following private companies: Kisoji Biotechnology Inc., Naegis Pharmaceuticals, Inc. and Osteo QC. Some of Dr. Underdown's previous board roles include: Argos Therapeutics (NASDAQ: ARG5), ID Biomedical (acquired by GlaxoSmithKline), enGene Inc. and Ception Therapeutics (acquired by Cephalon). He has served on a number of Boards and advisory bodies of government-sponsored research organizations including CANVAC, the Canadian National Centre of Excellence in Vaccines, Ontario Genomics Institute (Chair), Allergen Plc., the Canadian National Centre of Excellence in Allergy and Asthma. Dr. Underdown obtained his Ph.D. in immunology from McGill University and undertook post-doctoral studies at Washington University School of Medicine.

We selected Dr. Underdown to serve on our Board of Directors due to his extensive background working in the biotechnology and pharmaceutical industries, as a director of numerous private and public companies, as well as his substantial corporate finance and venture capital experience funding and advising startup and established biopharmaceutical companies focused on development and commercialization of novel therapeutics.

Jerry B. Gin, Ph.D., M.B.A. was appointed to serve on our Board of Directors on March 29, 2016. Dr. Gin is currently the co-founder and CEO of Nuvora, Inc., a private company founded in 2006 with a drug delivery platform for the sustained release of ingredients through the mouth for such indications as dry mouth, biofilm reduction and sore throat/cough relief. Dr. Gin is also co-founder and Chairman of Livionex, a private platform technology company founded in 2009 and focused on oral care, ophthalmology and wound care. Previously, Dr. Gin co-founded Oculex Pharmaceuticals in 1993, which developed technology for controlled release delivery of drugs to the interior of the eye, specifically to treat macular edema, and served as President and CEO until it was acquired by Allergan in 2003. Prior to forming Oculex, Dr. Gin co-founded and took public ChemTrak, which developed a home cholesterol test commonly available in drug stores today. Prior to ChemTrak, Dr. Gin was Director of New Business Development and Strategic Planning for Syva, the diagnostic arm of Syntex Pharmaceuticals, Director for Pharmaceutical and Diagnostic businesses for Dow Chemical, and Director of BioScience Labs (now Quest Laboratories), the clinical laboratories of Dow Chemical. Dr. Gin received his Bachelor's degree in Chemistry from the University of Arizona, his Ph.D. in Biochemistry from the University of California, Berkeley, his M.B.A. from Loyola College, and conducted his post-doctoral research at the National Institutes of Health.

We selected Dr. Gin to serve on our Board of Directors due to his extensive experience in the healthcare industry, focusing his substantial business and scientific expertise on founding and developing numerous biopharmaceutical, diagnostic and biotechnology companies and propelling them to their next platforms of growth and value.

Director Compensation

We adopted a director compensation policy for the independent directors of our board, as “independent” is defined by NASDAQ Stock Market rules, which policy became effective for our fiscal year beginning April 1, 2014. Under our independent director compensation policy, our independent directors are entitled to receive a \$25,000 annual retainer, payable in cash or shares of our common stock. For service on a committee of the Board, an independent director is entitled to receive an additional annual cash retainer of \$7,500 for service on our Audit Committee and Compensation Committee and \$5,000 for service on our Corporate Governance and Nominating Committee. In lieu of the annual cash retainer for committee participation, each independent director serving as a chair of a Board committee shall receive an annual cash retainer of \$15,000 for the Audit Committee and Compensation Committee chairs and \$10,000 for the Corporate Governance and Nominating Committee chair. In addition, each independent director will also receive an annual grant of an option or warrant to purchase a minimum of 12,000 shares of our common stock, which will vest monthly over a one year period from the date of grant. Prorated grants are made for partial years of service.

We paid our independent directors cash compensation consistent with the policy noted above during our fiscal year ended March 31, 2018.

During the year ended March 31, 2018, we granted to each of our three independent directors options to purchase: (i) 35,000 shares of our common stock at \$1.96 per share in April 2017; (ii) 50,000 shares of our common stock at \$1.56 per share in September 2017; and (iii) 100,000 shares of our common stock at \$1.16 per share in February 2018. Each grant expires ten years after the date of grant. We have not granted any options to our three independent directors subsequent to March 31, 2018.

The following table sets forth a summary of the compensation earned by our independent, non-employee directors in our fiscal year ended March 31, 2018.

Name	Fees Paid in Cash (1)	Option Awards (2)	Other Compensation	Total
	(\$)	(\$)	(\$)	(\$)
Jon S. Saxe (3)	\$52,500	\$229,969(6)	\$ -	\$282,469
Brian J. Underdown, Ph.D. (4)	\$52,500	\$229,969(6)	\$ -	\$282,469
Jerry B. Gin, Ph.D., M.B.A (5)	\$50,000	\$229,969(6)	\$ -	\$279,969

The amounts shown represent fees earned for service on our Board of Directors, and Audit Committee,

(1) Compensation Committee and Corporate Governance and Nominating Committee during the fiscal year ended March 31, 2018, which amounts were paid in full during the fiscal year then ended.

The amounts in the “Option Awards” column represent the aggregate grant date fair value of options to purchase shares of our common stock awarded to Mr. Saxe, Dr. Underdown and Dr. Gin during our fiscal year ended March 31, 2018, computed in accordance with the Financial Accounting Standards Board’s Accounting Standards Codification Topic 718, Compensation – Stock Compensation (ASC 718). The amounts in this column do not represent any cash payments actually received by Mr. Saxe, Dr. Underdown or Dr. Gin with respect to any of such stock options awarded to them during the fiscal year ended March 31, 2018. To date, Mr. Saxe, Dr. Underdown and Dr. Gin have not exercised such stock options, and there can be no assurance that any of them will ever realize any of the ASC 718 grant date fair value amounts presented in the “Option Awards” column.

Mr. Saxe has served as the Chairman of our Board of Directors, the Chairman of our Audit Committee and a member of our Compensation Committee and Corporate Governance and Nominating Committee throughout our fiscal year ended March 31, 2018. At March 31, 2018, Mr. Saxe held: (i) 1,875 restricted shares of our common stock; (ii) options to purchase 46,375 registered shares of our common stock, of which options to purchase 86,547 shares were exercisable; and (iii) warrants to purchase 83,250 restricted shares of our common stock, all of which are exercisable.

Dr. Underdown has served as a member of our Board of Directors, as the Chairman of our Compensation Committee and as a member of our Audit Committee and Corporate Governance and Nominating Committee throughout the fiscal year ended March 31, 2018. At March 31, 2018, Dr. Underdown held: (i) options to purchase 244,250 registered shares of our common stock, of which options to purchase 84,422 shares were exercisable; and (ii) warrants to purchase 82,500 restricted shares of our common stock, all of which are exercisable.

(5)

Dr. Gin has served as a member of our Board of Directors, as the Chairman of our Corporate Governance and Nominating Committee and as a member of our Audit Committee and Compensation Committee throughout the fiscal year ended March 31, 2018. At March 31, 2018, Dr. Gin held: (i) options to purchase 260,000 registered shares of our common stock of which 100,172 were exercisable; and (ii) warrants to purchase 50,000 restricted shares of our common stock, all of which are exercisable.

- (6) The table below provides information regarding the option awards we granted to Mr. Saxe, Dr. Underdown and Dr. Gin during fiscal 2018 and the assumptions used in the Black Scholes Option Pricing Model to determine the grant date fair values of the respective awards and modifications.

-6-

	Option	Option	Option	
	Grant	Grant	Grant	
	4/26/2017	9/19/2017	2/2/2018	Total
Saxe	\$59,265	\$68,666	\$102,038	\$229,969
Underdown	59,265	68,666	102,038	\$229,969
Gin	59,265	68,666	102,038	\$229,969
	\$177,795	\$205,998	\$306,114	\$689,907
Exercise Price	\$1.96	\$1.56	\$1.16	
Grant Date stock price	\$1.96	\$1.56	\$1.16	
Risk free interest rate	2.32%	2.24%	2.84%	
Expected Term (years)	10.00	10.00	10.00	
Volatility	90.38%	94.78%	93.58%	
Dividend rate	0.00%	0.00%	0.00%	
Fair value per share	\$1.69	\$1.37	\$1.02	
Aggregate option shares	105,000	150,000	300,000	

Mr. Saxe, Dr. Underdown and Dr. Gin were each granted options to purchase 35,000 shares, 50,000 shares, and 100,000 shares of our common stock on April 26, 2017, September 19, 2017 and February 2, 2018, respectively.

Board Attendance at Board of Directors, Committee and Stockholder Meetings

Our Board met six times and acted by unanimous written consent three times during our fiscal year ended March 31, 2018. Our Audit Committee met four times. Our Compensation Committee requested action by the entire Board twice and acted by unanimous written consent three times with respect to grants of various equity securities and executive compensation matters. Our Corporate Governance and Nominating Committee requested action by the entire Board with respect to resolutions to be presented to our stockholders at the annual meeting of stockholders and Board committee assignments. With the exception of Dr. Underdown, who was unable to attend one Board meeting due to international travel, each director serving during Fiscal 2018 attended all of the meetings of the Board and the committees of the Board upon which such director served that were held during the term of his service.

We do not have a formal policy regarding attendance by members of the Board at our annual meetings of stockholders, but directors are encouraged to attend. With the exception of Dr. Underdown, who was unavailable due to international travel, each of our directors attended our 2017 Annual Meeting of Stockholders in person.

Independent Directors

Our securities are currently listed on the NASDAQ Capital Market, which requires that a majority of our directors be independent. Accordingly, we evaluate director independence under the standards established by the SEC and the

NASDAQ Stock Market.

Subject to some exceptions, these standards generally provide that a director will not be independent if (a) the director is, or in the past three years has been, an employee of ours; (b) a member of the director's immediate family is, or in the past three years has been, an executive officer of ours; (c) the director or a member of the director's immediate family has received more than \$120,000 per year in direct compensation from us other than for service as a director (or for a family member, as a non-executive employee); (d) the director or a member of the director's immediate family is, or in the past three years has been, employed in a professional capacity by our independent public accountants, or has worked for such firm in any capacity on our audit; (e) the director or a member of the director's immediate family is, or in the past three years has been, employed as an executive officer of a company where one of our executive officers serves on the compensation committee; or (f) the director or a member of the director's immediate family is an executive officer of a company that makes payments to, or receives payments from, us in an amount which, in any twelve-month period during the past three years, exceeds the greater of \$1,000,000 or two percent of that other company's consolidated gross revenues.

-7-

Our Board has undertaken a review of its composition, the composition of its committees and the independence of each director. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our Board has determined that Mr. Saxe, Dr. Underdown and Dr. Gin are each “independent” as that term is defined by the rules of the NASDAQ Stock Market. Our Board has also determined that Mr. Saxe, Dr. Underdown and Dr. Gin, who together comprise our Audit Committee, Compensation Committee, and Corporate Governance and Nominating Committee, satisfy the independence standards set forth in the NASDAQ Stock Market rules. In making these determinations, our Board considered the current and prior relationships that each nonemployee director has with the Company and all other facts and circumstances that our Board deemed relevant.

Board Committees and Charters

Our Board has established an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. The composition and responsibilities of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by our Board. Beginning on April 1, 2017, only our independent directors, Mr. Saxe, Dr. Underdown and Dr. Gin, serve as members of each of these committees.

The Audit Committee of our Board is comprised of Mr. Saxe, who serves as the committee chairman, Dr. Underdown and Dr. Gin. Mr. Saxe is also our Audit Committee financial expert, as that term is defined under SEC rules implementing Section 407 of the Sarbanes Oxley Act of 2002, and possesses the requisite financial sophistication, as defined under applicable rules. The Audit Committee operates under a written charter. Our Audit Committee charter is available on our website at www.vistagen.com. Under its charter, our Audit Committee is primarily responsible for, among other things, the following:

overseeing our accounting and financial reporting process;

selecting, retaining and replacing our independent auditors and evaluating their qualifications, independence and performance;

reviewing and approving scope of the annual audit and audit fees;

monitoring rotation of partners of independent auditors on engagement team as required by law;

discussing with management and independent auditors the results of annual audit and review of quarterly financial statements;

reviewing adequacy and effectiveness of internal control policies and procedures;

approving retention of independent auditors to perform any proposed permissible non-audit services;

overseeing internal audit functions and annually reviewing audit committee charter and committee performance; and

preparing the audit committee report that the SEC requires in our annual proxy statement.

-8-

Compensation Committee

The Compensation Committee of our Board is comprised of Dr. Underdown, who serves as the committee chairman, Mr. Saxe, and Dr. Gin. Our Compensation Committee charter is available on our website at www.vistagen.com. Under its charter, the Compensation Committee is primarily responsible for, among other things, the following:

reviewing and approving our compensation programs and arrangements applicable to our executive officers (as defined in Rule I 6a-I (f) of the Securities Exchange Act of 1934, as amended (the “ Exchange Act”)), including all employment-related agreements or arrangements under which compensatory benefits are awarded or paid to, or earned or received by, our executive officers, including, without limitation, employment, severance, change of control and similar agreements or arrangements;

determining the objectives of our executive officer compensation programs;

ensuring corporate performance measures and goals regarding executive officer compensation are set and determining the extent to which they are achieved and any related compensation earned;

establishing goals and objectives relevant to Chief Executive Officer compensation, evaluating Chief Executive Officer performance in light of such goals and objectives, and determining Chief Executive Officer compensation based on the evaluation;

endeavoring to ensure that our executive compensation programs are effective in attracting and retaining key employees and reinforcing business strategies and objectives for enhancing stockholder value, monitoring the administration of incentive-compensation plans and equity-based incentive plans as in effect and as adopted from time to time by the Board;

reviewing and approving any new equity compensation plan or any material change to an existing plan; and

reviewing and approving any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory requirement, or otherwise determined to be appropriate or desirable by the committee or Board.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee of our Board is comprised of Dr. Gin, who serves as the committee chairman, Mr. Saxe and Dr. Underdown. Our Corporate Governance and Nominating Committee charter is available on our website at www.vistagen.com. Under its charter, the Corporate Governance and Nominating Committee is primarily responsible for, among other things, the following:

monitoring the size and composition of the Board;

making recommendations to the board with respect to the nominations or elections of our directors;

reviewing the adequacy of our corporate governance policies and procedures and our Code of Business Conduct and Ethics, and recommending any proposed changes to the board for approval; and

considering any requests for waivers from our Code of Business Conduct and Ethics and ensure that we disclose such waivers as may be required by the exchange on which we are listed, if any, and rules and regulations of the SEC.

-9-

Compensation Committee Interlocks and Insider Participation

The Compensation Committee of our Board consists of Dr. Underdown, Mr. Saxe and Dr. Gin, each of whom is an independent, nonemployee director. None of the members of the Compensation Committee has a relationship that would constitute an interlocking relationship with executive officers or directors of another entity.

Board Leadership Structure

The Board currently separates the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. Our Chief Executive Officer, who is also a member of our Board, is responsible for setting the strategic direction of the Company and the day-to-day leadership and performance of the Company, while the Chairman of the Board provides guidance to the Chief Executive Officer and sets the agenda for the Board meetings and presides over meetings of the Board. Although these roles are currently separate, the Board believes it should be able to freely select the Chairman of the Board based on criteria that it deems to be in the best interest of the Company and its stockholders, and therefore one person may, in the future, serve as both the Chief Executive Officer and Chairman of the Board.

Board Role in Risk Assessment

Management, in consultation with outside professionals, as applicable, identifies risks associated with the Company's operations, strategies and financial statements. Risk assessment is also performed through periodic reports received by the Audit Committee from management, counsel and the Company's independent registered public accountants relating to risk assessment and management. Audit Committee members meet privately in executive sessions with representatives of the Company's independent registered public accountants. The Board also provides risk oversight through its periodic reviews of the financial and operational performance of the Company.

Code of Ethics

We have adopted a Code of Business Conduct and Ethics applicable to our employees, officers and directors. Our Code of Business Conduct and Ethics is available on our website at www.vistagen.com. We intend to disclose any future amendments to certain provisions of our Code of Business Conduct and Ethics, or waivers of these provisions, on our website or in filings with the SEC under the Exchange Act.

Stockholder Communications

If you wish to communicate with the Board, you may send your communication in writing to:

VistaGen Therapeutics, Inc.
343 Allerton Avenue
South San Francisco, California 94080
Attn: Corporate Secretary

You must include your name and address in the written communication and indicate whether you are a stockholder of the Company. The Corporate Secretary will review any communication received from a stockholder, and all material and appropriate communications from stockholders will be forwarded to the appropriate director or directors or committee of the Board based on the subject matter.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee has reviewed and discussed with management and OUM & Co. LLP (OUM), our independent registered public accounting firm, the audited consolidated financial statements in the VistaGen Therapeutics, Inc. Annual Report on Form 10-K for the year ended March 31, 2018. The Audit Committee has also discussed with OUM those matters required to be discussed by Public Company Accounting Oversight Board (PCAOB) Auditing Standard No. 16.

OUM also provided the Audit Committee with the written disclosures and the letter required by the applicable requirements of the PCAOB regarding the independent auditor's communication with the Audit Committee concerning independence. The Audit Committee has discussed with the registered public accounting firm their independence from our Company.

Based on its discussions with management and the registered public accounting firm, and its review of the representations and information provided by management and the registered public accounting firm, including as set forth above, the Audit Committee recommended to our Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended March 31, 2018.

Respectfully Submitted by:

MEMBERS OF THE AUDIT COMMITTEE

Jon S. Saxe, Audit Committee Chairman

Jerry B. Gin

Brian J. Underdown

Dated: June 22, 2018

The information contained above under the caption "Report of the Audit Committee of the Board of Directors" shall not be deemed to be soliciting material or to be filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that we specifically incorporate it by reference into such filing.

PROPOSAL NO. 2

RATIFICATION OF THE APPOINTMENT OF
OUM & CO. LLP TO SERVE AS THE COMPANY'S INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM FOR THE CURRENT FISCAL YEAR

Upon recommendation of the Audit Committee of the Board, the Board appointed OUM & Co. LLP (OUM) as our independent registered public accounting firm for the current fiscal year and hereby recommends that the stockholders ratify such appointment.

The Board may terminate the appointment of OUM as the Company's independent registered public accounting firm without the approval of the Company's stockholders whenever the Board deems such termination necessary or appropriate.

Representatives of OUM will be present at the Annual Meeting or available by telephone and will have an opportunity to make a statement if they so desire and to respond to appropriate questions from stockholders.

Fees and Services

OUM served as our independent registered public accounting firm for the fiscal years ended March 31, 2018 and 2017. Information provided below includes fees for professional services provided to us by OUM for our fiscal years ended March 31, 2018 and 2017.

Fiscal Years Ended
March 31,

2018 2017

Audit fees	\$216,041	\$204,250
Audit-related fees	114,609	69,250
Tax fees	14,897	16,000
All other fees	-	-
Total fees	\$345,547	\$289,500

Audit Fees:

Audit fees include fees billed for the annual audit of the Company's financial statements and quarterly reviews for the fiscal years ended March 31, 2018 and 2017, and for services normally provided by OUM in connection with routine statutory and regulatory filings or engagements.

Audit-Related Fees:

Audit-related fees include fees billed for assurance and related services that are reasonably related to the performance of the annual audit or reviews of the Company's financial statements and are not reported under "Audit Fees." During our fiscal years ended March 31, 2018 and 2017, OUM billed the Company for services related to consents for the use of its audit opinion in the Company's filings of Registration Statements on Form S-3, Form S-1, and Form S-8 that included or incorporated by reference the Company's audited financial statements for the fiscal years ended March 31, 2017 and 2016.

Tax Fees:

Tax fees include fees for professional services for tax compliance, tax advice and tax planning for the tax years ended March 31, 2018 and 2017.

All Other Fees:

All other fees include fees for products and services other than those described above. During our fiscal years ended March 31, 2018 and 2017, no such fees were billed by OUM.

Required Vote and Recommendation

Ratification of the selection of OUM as the Company's independent registered public accounting firm for our fiscal year ending March 31, 2019 requires the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote at the Annual Meeting. Unless otherwise instructed on the proxy or unless authority to vote is withheld, shares represented by executed proxies will be voted "FOR" the ratification of OUM as the Company's independent registered public accounting firm for our fiscal year ending March 31, 2019.

The Board unanimously recommends that stockholders vote "FOR" the ratification of the selection of OUM as our independent registered public accounting firm for our fiscal year ending March 31, 2019.

EXECUTIVE COMPENSATION

Executive Officers

The Company's executive officers are appointed by the Board and serve at the discretion of the Board, subject to the terms of any employment agreements they may have with the Company. The following is a brief description of the present and past business experience of each of the Company's current executive officers.

Name	Age	Position
Shawn K. Singh, JD	55	Chief Executive Officer and Director
H. Ralph Snodgrass, Ph.D.	68	Founder, President, Chief Scientific Officer and Director
Mark A. Smith, M.D., Ph.D.	62	Chief Medical Officer
Jerrold D. Dotson, CPA	65	Vice President, Chief Financial Officer and Secretary
Mark A. McPartland	52	Vice President, Corporate Development

Shawn K. Singh, JD Please see Mr. Singh's biography on page 3 of this Proxy Statement, under the section titled "Directors."

H. Ralph Snodgrass, Ph.D. Please see Dr. Snodgrass's biography on page 4 of this Proxy Statement, under the section titled "Directors."

Mark A. Smith, M.D., Ph.D. joined VistaGen as our Chief Medical Officer effective June 18, 2016. Dr. Smith served as the Clinical Lead for Neuropsychiatry at Teva Pharmaceuticals from November 2013 through June 2016. He served as Senior Director of Experimental Medicine, Global Clinical Development and Innovation at Shire Pharmaceuticals from September 2012 to October 2013 and at AstraZeneca Pharmaceutical Company as Executive Director of Clinical Development and in other senior positions from June 2000 through September 2012. He served as a Senior Investigator and Principal Research Scientist in CNS Diseases Research at DuPont Pharmaceutical Company from 1996 to 2000 and in the Biological Psychiatry and Clinical Neuroendocrinology Branches of the National Institute of Mental Health from 1987 through 1996. Dr. Smith has significant expertise in drug discovery and development and clinical trial design and execution, having directed approximately fifty clinical trials from Phase 0 through Phase II B and served as project leader in both the discovery and development of approximately twenty investigational new drugs aimed at depression, anxiety, schizophrenia and other disorders. Dr. Smith received his Bachelor of Science and Master of Science degrees in Molecular Biophysics and Biochemistry from Yale University; his M.D and Ph.D. in Physiology and Pharmacology from the University of California, San Diego and completed his residency at Duke University Medical Center.

Jerrold D. Dotson, CPA has served as our Chief Financial Officer since September 2011, as our Corporate Secretary since October 2013 and as a Vice President since February 2014. Mr. Dotson served as Corporate Controller for Discovery Foods Company, a privately held Asian frozen foods company from January 2009 to September 2011. From February 2007 through September 2008, Mr. Dotson served as Vice President, Finance and Administration (principal financial and accounting officer) for Calypte Biomedical Corporation (OTCBB: CBMC), a publicly held biotechnology company. Mr. Dotson served as Calypte's Corporate Secretary from 2001 through September 2008. He also served as Calypte's Director of Finance from January 2000 through July 2005 and was a financial consultant to Calypte from August 2005 through January 2007. Prior to joining Calypte, from 1988 through 1999, Mr. Dotson worked in various financial management positions, including Chief Financial Officer, for California & Hawaiian Sugar Company, a privately held company. Mr. Dotson is licensed as a CPA in California and received his B.S. degree in Business Administration with a concentration in accounting from Abilene Christian College.

Mark A. McPartland has served as our Vice-President, Corporate Development since October 2016. Mr. McPartland previously served as the Vice President of Corporate Development and Communications at Stellar Biotechnologies, Inc. (NASDAQ: SBOT), a leader in sustainable manufacture of KLH, an immune-stimulating protein widely used in the field of active immunotherapy, from November 2013 to September 2016. While at Stellar, Mr. McPartland was responsible for transforming and expanding its capital markets and corporate communications strategy, while also supporting its global business development activities. From September 2011 to November 2013, Mr. McPartland served as Senior Vice President at MZ Group, a subsidiary of @titude Global, the world's largest independent global investor relations consulting firm, and from January 2005 to January 2011, he served as Vice President and Partner at Alliance Advisors, LLC where he specialized in the implementation of capital markets strategy, market positioning and financial communications, and Regional Vice President of Hayden Communications, Inc. where he led investor relations and corporate communications programs for micro and small cap companies. Mr. McPartland received his Bachelors in Business Administration and Marketing from Coastal Carolina University.

Our Compensation Objectives

Our compensation practices are designed to attract key employees and to retain, motivate and reward our executive officers for their performance and contribution to our long-term success. Our Board of Directors, through the Compensation Committee, seeks to compensate our executive officers by combining short and long-term cash and equity incentives. It also seeks to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with stockholder value creation. When possible, the compensation committee seeks to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals. Also, when possible and appropriate taking into

account the Company's financial condition and other related facts and circumstances, the compensation committee seeks to set performance goals that reach across all business areas and include achievements in finance/business development and corporate development.

The Compensation Committee makes decisions regarding salaries, annual bonuses, if any, and equity incentive compensation for our executive officers, approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer and our other executive officers. The Compensation Committee solicits input from our Chief Executive Officer regarding the performance of our other executive officers. Finally, the Compensation Committee also administers our incentive compensation and benefit plans.

Although we have no formal policy for a specific allocation between current and long-term compensation, or cash and non-cash compensation, when possible and appropriate taking into account the Company's financial condition and other related facts and circumstances, we seek to implement a pay mix for our officers with a relatively equal balance of both, providing a competitive salary with a significant portion of compensation awarded on both corporate and personal performance.

Compensation Components

As a general rule, and when possible and appropriate taking into account the Company's financial condition and other related facts and circumstances, our compensation consists primarily of three elements: base salary, annual bonus and long-term equity incentives. We describe each element of compensation in more detail below.

Base Salary

Base salaries for our executive officers are established based on the scope of their responsibilities and their prior relevant experience, taking into account competitive market compensation paid by other companies in our industry for similar positions and the overall market demand for such executives, both initially at the time of hire and thereafter, to ensure that we retain our executive management team. An executive officer's base salary is also determined by reviewing the executive officer's other compensation to ensure that the executive officer's total compensation is in line with our overall compensation philosophy.

Base salaries are reviewed periodically as deemed necessary by the Compensation Committee and increased for merit reasons, based on the executive officers' success in meeting or exceeding individual objectives. Additionally, we may adjust base salaries as warranted throughout the year for promotions or other changes in the scope or breadth of an executive officer's role or responsibilities.

Annual Bonus

The Compensation Committee assesses the level of the executive officer's achievement of meeting individual goals, as well as that executive officer's contribution towards our corporate-wide goals. The amount of the cash bonus depends on the level of achievement of the individual performance goals, with a target bonus generally set as a percentage of base salary and based on the achievement of pre-determined milestones. During the years ended March 31, 2018 and 2017, each Named Executive Officer (NEO) serving during those periods was awarded a bonus by the Compensation Committee in the amount set forth in the Summary Compensation Table below.

Long-Term Equity Incentives

The Compensation Committee believes that to attract and retain management, key employees and non-management directors the compensation paid to these persons should include, in addition to base salary and potential annual cash incentives, equity-based compensation that is competitive with peer companies. The Compensation Committee determines the amount and terms of equity-based compensation granted under our stock option plans or pursuant to other awards made to our executives and key employees.

Summary Compensation Table

The following table shows information regarding the compensation of our NEOs for services performed in the fiscal years ended March 31, 2018 and 2017.

Name and Principal Position	All						
	Fiscal		Bonus	Awards (6)	Option	Other	Total
	Year	Year					
	Year	Year	(\$)	(\$)	(\$)	(\$)	
Shawn K. Singh (1) Chief Executive Officer	2018	424,597	197,500	641,934(7)	-	1,264,031	
	2017	385,107	173,750	757,210(8)	-	1,316,067	
H. Ralph Snodgrass, Ph.D. (2) President, Chief Scientific Officer	2018	376,224	125,000	436,980(7)	-	938,204	
	2017	340,625	152,500	520,946(8)	-	1,014,071	
Mark A. Smith, M.D., Ph.D. (3) Chief Medical Officer	2018	376,224	125,000	458,461(7)	-	959,685	
	2017	275,737	-	654,238(8)	-	929,975	
Jerrold D. Dotson (4) Vice President, Chief Financial Officer and Secretary	2018	322,477	125,000	423,935(7)	-	871,412	
	2017	289,583	100,000	318,018(8)	-	707,601	
Mark A. McPartland (5) Vice President, Corporate Development	2018	240,833	60,000	323,984(8)	-	624,817	

- (1) Mr. Singh became Chief Executive Officer of VistaGen Therapeutics, Inc. (a California corporation) (VistaGen California) on August 20, 2009 and our Chief Executive Officer in May 2011, in connection with the Merger. In our fiscal years ended March 31, 2018 and 2017, Mr. Singh's annual base cash salary, pursuant to his January 2010 employment agreement, as amended in June 2016, was contractually set at \$395,000. The Compensation Committee adjusted Mr. Singh's base annual salary to \$434,460 effective in July 2017. Pursuant to his employment agreement, Mr. Singh is eligible to receive an annual cash incentive bonus of up to fifty percent (50%) of his base cash salary. The base salary amount for the fiscal year ended March 31, 2017 excludes \$226,207 paid to Mr. Singh in fiscal 2017 for accrued but unpaid salary earned and expensed in years prior to fiscal 2016.
- (2) Through August 20, 2009, Dr. Snodgrass served as VistaGen California's President and Chief Executive Officer, at which time he became its President and Chief Scientific Officer. He became our President and Chief Scientific Officer in May 2011, in connection with the Merger. In our fiscal years ended March 31, 2018 and 2017, Dr. Snodgrass' annual base cash salary, pursuant to his January 2010 employment agreement, as amended in June

2016, was contractually set at \$350,000. The Compensation Committee adjusted Dr. Snodgrass' base annual salary to \$384,965 effective in July 2017. Pursuant to his employment agreement, Dr. Snodgrass is eligible to receive an annual cash incentive bonus of up to fifty percent (50%) of his base cash salary. The base salary amount for the fiscal year ended March 31, 2017 excludes \$75,359 paid to Dr. Snodgrass in fiscal 2017 for accrued but unpaid salary earned and expensed in years prior to fiscal 2016.

(3) Dr. Smith became our Chief Medical Officer upon his employment effective June 18, 2016. During our fiscal year ended March 31, 2017, Dr. Smith's annual base cash salary was \$350,000. The Compensation Committee adjusted Dr. Smith's base annual salary to \$384,965 effective in July 2017.

(4) Mr. Dotson served as Chief Financial Officer on a contract basis from September 19, 2011 through August 2012, at which time he became our full-time employee. During our fiscal year ended March 31, 2017, Mr. Dotson's annual base cash salary was \$300,000. The Compensation Committee adjusted Mr. Dotson's base annual salary to \$329,970 effective in July 2017.

(5) Mr. McPartland has served as our Vice-President, Corporate Development since October 2016 and was designated a NEO in September 2017. Accordingly, no compensation information is provided for Mr. McPartland for our fiscal year ended March 31, 2017. The Compensation Committee adjusted Mr. McPartland's base annual salary to \$250,000 effective in July 2017.

(6) The amounts in the Option Awards column represent the aggregate grant date fair value of options to purchase shares of our common stock awarded to Mr. Singh, Dr. Snodgrass, Dr. Smith, Mr. Dotson and Mr. McPartland during the fiscal year presented, computed in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 718, Compensation – Stock Compensation (ASC 718). The amounts in this column do not represent any cash payments actually received by the NEOs with respect to any of such options to purchase shares of our common stock awarded to them during the periods presented. To date, none of the NEOs have exercised any of such options to purchase common stock, and there can be no assurance that any of them will ever realize any of the ASC 718 grant date fair value amounts presented in the Option Awards column.

(7) The table below provides information regarding the option awards we granted to Mr. Singh, Dr. Snodgrass, Dr. Smith, Mr. Dotson and Mr. McPartland during Fiscal 2018 and the assumptions used in the Black Scholes Option Pricing Model to determine the grant date fair values of the respective awards and modifications

Edgar Filing: VistaGen Therapeutics, Inc. - Form DEF 14A

Option Award Compensation – Fiscal Year Ended March 31, 2018

	Option Grant 4/26/2017	Option Grant 9/19/2017	Option Grant 2/2/2018	Total
Singh	\$241,685	\$142,474	\$257,775	\$641,934
Snodgrass	172,632	113,979	150,369	436,980
Smith	172,632	113,979	171,850	458,461
Dotson	138,106	113,979	171,850	423,935
McPartland	138,106	56,990	128,888	323,984
	\$863,161	\$541,401	\$880,731	\$2,285,293

Option Shares Granted - Fiscal Year Ended March 31, 2018

	Option Grant 4/26/2017	Option Grant 9/19/2017	Option Grant 2/2/2018	Total
Singh	175,000	125,000	300,000	600,000
Snodgrass	125,000	100,000	175,000	400,000
Smith	125,000	100,000	200,000	425,000
Dotson	100,000	100,000	200,000	400,000
McPartland	100,000	50,000	150,000	300,000
	625,000	475,000	1,025,000	2,125,000

Option Award Assumptions – Fiscal Year Ended March 31, 2018

	Option Grant 4/26/2017	Option Grant 9/19/2017	Option Grant 2/2/2018
Market price per share	\$1.96	\$1.56	\$1.16
Exercise price per share	\$1.96	\$1.56	\$1.16
Risk-free interest rate	1.98%	1.90%	2.63%
Volatility	82.3%	91.4%	92.4%
Expected term (years)	6.0	5.5	5.5
Dividend rate	0%	0%	0%
Fair value per share	\$1.38	\$1.14	\$0.86
Aggregate shares	625,000	475,000	1,025,000

Edgar Filing: VistaGen Therapeutics, Inc. - Form DEF 14A

The table below provides information regarding the option awards we granted to Mr. Singh, Dr. Snodgrass, Dr. (8) Smith and Mr. Dotson during Fiscal 2017 and the assumptions used in the Black Scholes Option Pricing Model to determine the grant date fair values of the respective awards and modifications

Option Award Compensation – Fiscal Year Ended March 31, 2017	Option Grant		Option Grant
	6/19/2016	11/9/2016	
Singh	\$484,700	\$272,510	\$757,210
Snodgrass	302,938	218,008	520,946
Smith	436,230	218,008	654,238
Dotson	181,763	136,255	318,018
	\$1,405,631	\$844,781	\$2,250,412

Option Award Assumptions – Fiscal Year Ended March 31, 2017 Option Grant Option Grant

	6/19/2016	11/9/2016
Market price per share	\$3.49	\$3.80
Exercise price per share	\$3.49	\$3.80
Risk-free interest rate	1.31%	1.71%
Volatility	79.82%	83.17%
Expected term (years)	6.25	6.25
Dividend rate	0%	0%
Fair value per share	\$2.42	\$2.73
Aggregate shares	580,000	310,000

On June 19, 2016, Mr. Singh, Dr. Snodgrass, Dr. Smith and Mr. Dotson were granted options to purchase 200,000, 125,000, 180,000 and 75,000 restricted shares of our common stock, respectively. On November 9, 2016, Mr. Singh, Dr. Snodgrass, Dr. Smith and Mr. Dotson were granted options to purchase 100,000, 80,000, 80,000 and 50,000 restricted shares of our common stock, respectively.

None of the NEOs is entitled to any perquisites or other personal benefits that, in the aggregate, are worth over \$50,000 or over 10% of their base salary.

Benefit Plans

401(k) Plan

We maintain, through a registered agent, a retirement and deferred savings plan for our officers and employees. This plan is intended to qualify as a tax-qualified plan under Section 401(k) of the Internal Revenue Code of 1986, as amended. The retirement and deferred savings plan provides that each participant may contribute a portion of his or her pre-tax compensation, subject to statutory limits. Under the plan, each employee is fully vested in his or her deferred salary contributions. Employee contributions are held and invested by the plan's trustee. The retirement and deferred savings plan also permits us to make discretionary contributions subject to established limits and a vesting schedule. To date, we have not made any discretionary contributions to the retirement and deferred savings plan on behalf of participating employees.

Outstanding Warrants and Options at March 31, 2018

The following table provides information regarding each unexercised stock option and warrant to purchase restricted shares of our common stock held by each of the named executive officers as of March 31, 2018.

Stock Options and Warrants

Name	Number of Securities Underlying Unexercised Options and Warrants (#) Exercisable	Number of Securities Underlying Unexercised Options and Warrants (#) Unexercisable	Exercise Price (\$)	Expiration Date
Shawn K. Singh	3,000	-	10.00	3/24/2019
	1,125	-	10.00	6/17/2019
	50,000	-	10.00	11/4/2019
	21,250	-	10.00	12/30/2019
	5,000	-	10.00	4/26/2021
	4,017	-	7.00	3/19/2019
	1,786	-	7.00	3/19/2019
	72,000	-	7.00	3/3/2023
	150,000	-	7.00	1/11/2020
	250,000	-	7.00	9/2/2020
	87,499	112,501(1)	3.49	6/19/2026
	44,444(2)	55,556(2)	3.80	11/9/2026
	-	175,000(3)	1.96	4/26/2027
	62,499	62,501(4)	1.56	9/19/2027
84,375	215,625(5)	1.16	2/2/2028	
Total:	686,995	621,183		
H. Ralph Snodgrass, Ph.D.	2,500	-	10.00	3/24/2019
	1,250	-	10.00	6/17/2019
	12,500	-	10.00	12/30/2019
	50,000	-	7.00	3/3/2023
	2,500	-	7.00	3/19/2024
	7,500	-	7.00	3/19/2024
	100,000	-	7.00	1/11/2020
	150,000	-	7.00	9/20/2020
	54,687	70,313(1)	3.49	6/19/2026
	35,555(2)	44,445(2)	3.80	11/9/2026
	-	125,000(3)	1.96	4/26/2027
	49,999	50,001(4)	1.56	9/19/2027
	49,218	125,782(5)	1.16	2/2/2028
	Total:	515,709	415,541	

Edgar Filing: VistaGen Therapeutics, Inc. - Form DEF 14A

Mark A. Smith, M.D. Ph.D.	78,749	101,251(1)	3.49	6/19/2026
	35,555(2)	44,445(2)	3.80	11/9/2026
	-	125,000(3)	1.96	4/26/2027
	49,999	50,001(4)	1.56	9/19/2027
	56,250	143,750(5)	1.16	2/2/2028
Total:	220,553	464,447		
Jerrold D. Dotson	5,001	-	10.00	10/30/2022
	1,000	-	8.00	10/27/2023
	10,000	-	7.00	3/3/2023
	5,000	-	7.00	3/19/2024
	50,000	-	7.00	1/11/2020
	32,812	42,188(1)	3.49	6/19/2026
	22,222(2)	27,778(2)	3.80	11/9/2026
	-	100,000(3)	1.96	4/26/2027
	49,999	50,001(4)	1.56	9/19/2027
56,250	143,750(5)	1.16	2/2/2028	
Total:	232,284	363,717		
Mark A. McPartland	46,874	78,126	4.27	9/29/2026
	17,777(6)	22,223(6)	3.80	11/9/2026
	-	100,000(3)	1.96	4/26/2027
	24,999	25,001(4)	1.56	9/19/2027
	42,187	107,813(5)	1.16	2/2/2028
Total:	131,837	333,163		

Represents an option to purchase shares of our common stock granted on June 19, 2016 when the market price of our common stock was \$3.49 per share. The option became exercisable for 25% of the shares granted on June 19, 2017 with the remaining shares becoming exercisable ratably monthly through June 19, 2020, when all shares granted will be fully exercisable.

Represents an option to purchase shares of our common stock granted on November 9, 2016 when the market price of our common stock was \$3.80 per share. The option became exercisable for 1/36th of the shares granted each month beginning December 9, 2016 through November 9, 2019, when all shares granted will be fully exercisable.

Represents an option to purchase shares of our common stock granted on April 26, 2017 when the market price of our common stock was \$1.96 per share. The option become exercisable for 33.33% of the shares granted on April 26, 2018 with the remaining shares becoming exercisable ratably monthly through April 26, 2020, when all shares granted will be fully exercisable.

Represents an option to purchase shares of our common stock granted on September 19, 2017 when the market price of our common stock was \$1.56 per share. The option became exercisable for 33.33% of the shares granted immediately upon grant, with the remaining shares becoming exercisable ratably monthly through September 19, 2019, when all shares granted will be fully exercisable.

Represents an option to purchase shares of our common stock granted on February 2, 2018 when the market price of our common stock was \$1.16 per share. The option became exercisable for 25% of the shares granted immediately upon grant, with the remaining shares becoming exercisable ratably monthly through February 2, 2020, when all shares granted will be fully exercisable.

Represents an option to purchase shares of our common stock granted on September 29, 2016 when the market price of our common stock was \$4.27 per share. The option became exercisable for 25% of the shares granted on September 29, 2017, with the remaining shares becoming exercisable ratably monthly through September 29, 2020, when all shares granted will be fully exercisable.

Employment or Severance Agreements

We have employment agreements with Mr. Singh and Dr. Snodgrass, the material terms of which are described below.

Singh Agreement

We entered into an employment agreement with Mr. Singh on April 28, 2010. Under the agreement, as amended on June 22, 2016, Mr. Singh's base salary was increased from \$347,500 per year to \$395,000 per year, effective June 16, 2016. The Compensation Committee adjusted Mr. Singh's base annual salary to \$434,460 effective in July 2017. Under his agreement, Mr. Singh is eligible to receive an annual incentive cash bonus of up to 50% of his base salary, and he received cash bonus payments of \$197,500 and \$173,750 in our fiscal years ended March 31, 2018 and 2017, respectively. Payment of his annual incentive bonus is at the discretion of our Board of Directors. In the event we terminate Mr. Singh's employment without cause, he is entitled to receive severance in an amount equal to:

twelve months of his then-current base salary payable in the form of salary continuation;

a pro-rated portion of the incentive cash bonus that the Board of Directors determines in good faith that Mr. Singh earned prior to his termination; and

such amounts required to reimburse him for Consolidated Omnibus Budget Reconciliation Act (COBRA) payments for continuation of his medical health benefits for such twelve-month period.

In addition, in the event Mr. Singh terminates his employment with "good reason" following a "change of control" (each as defined below), he is entitled to twelve months of his then-current base salary payable in the form of salary continuation.

Snodgrass Agreement

We entered into an employment agreement with Dr. Snodgrass on April 28, 2010. Under the agreement, as amended on June 22, 2016, Dr. Snodgrass's base salary was increased from \$305,000 per year to \$350,000 per year, effective June 16, 2016. The Compensation Committee adjusted Dr. Snodgrass' base annual salary to \$384,965 effective in July 2017. Under his agreement, Dr. Snodgrass is eligible to receive an annual incentive cash bonus of up to 50% of his base salary, and he received cash bonus payments of \$125,000 and \$152,500 in our fiscal years ended March 31, 2018 and 2017, respectively. Payment of his annual incentive bonus is at the discretion of the Board of Directors. In the event we terminate Dr. Snodgrass's employment without cause, he is entitled to receive severance in an amount equal to:

twelve months of his then-current base salary payable in the form of salary continuation;

a pro-rated portion of the incentive bonus that the Board of Directors determines in good faith that Dr. Snodgrass earned prior to his termination; and

such amounts required to reimburse him for COBRA payments for continuation of his medical health benefits for such twelve-month period.

In addition, in the event Dr. Snodgrass terminates his employment with "good reason" (as defined below), he is entitled to twelve months of his then-current base salary payable in the form of salary continuation.

Change of Control Provisions

Pursuant to each of their respective employment agreements, Dr. Snodgrass is entitled to severance if he terminates his employment at any time for “good reason” (as defined below), while Mr. Singh is entitled to severance if he terminates his employment for good reason after a change of control. Under their respective agreements, “good reason” means any of the following events, if we affect the event without the executive’s consent (subject to our right to cure):

a material reduction in the executive’s responsibility; or

a material reduction in the executive’s base salary except for reductions that are comparable to reductions generally applicable to similarly situated executives of VistaGen.

Furthermore, pursuant to their respective employment agreements and their stock option award agreements, as amended, in the event we terminate the executive without cause within twelve months of a change of control, the executive's remaining unvested option shares become fully vested and exercisable. Upon a change of control in which the successor corporation does not assume the executive's stock options, the stock options granted to the executive become fully vested and exercisable.

Pursuant to their respective employment agreements, a change of control occurs when: (i) any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than VistaGen, a subsidiary, an affiliate, or a VistaGen employee benefit plan, including any trustee of such plan acting as trustee) becoming the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of VistaGen representing 50% or more of the combined voting power of VistaGen's then outstanding securities; (ii) a sale of substantially all of VistaGen's assets; or (iii) any merger or reorganization of VistaGen whether or not another entity is the survivor, pursuant to which the holders of all the shares of capital stock of VistaGen outstanding prior to the transaction hold, as a group, fewer than 50% of the shares of capital stock of VistaGen outstanding after the transaction.

In the event that, following termination of employment, amounts are payable to an executive pursuant to his employment agreement, the executive's eligibility for severance is conditioned on executive having first signed a release agreement.

Pursuant to their respective employment agreements, the estimated amount that could be paid by us assuming that a change of control occurred on the last business day of our current fiscal year, is \$434,460 for Mr. Singh and \$384,965 for Dr. Snodgrass, excluding the imputed value of accelerated vesting of incentive stock options, if any.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDERS MATTERS

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of July 20, 2018 for:

each stockholder known by us to be the beneficial owner of more than 5% of our common stock;

each of our directors;

each of our named executive officers; and

all of our directors and executive officers as a group.

Applicable percentage ownership is based on 23,347,615 shares of common stock outstanding at July 20, 2018. In computing the number of shares of common stock beneficially owned by a person, we deemed to be outstanding all shares of common stock subject to options or warrants and all shares of preferred stock held by that person or entity that are currently exercisable or exchangeable or that will become exercisable or exchangeable within 60 days of July 20, 2018. In computing the percentage of shares beneficially owned, we deemed to be outstanding all shares of common stock subject to options or warrants and all shares of preferred stock held by that person or entity that are currently exercisable or exchangeable or that will become exercisable or exchangeable within 60 days of July 20, 2018. Unless otherwise noted below, the address of each beneficial owner listed in the table is c/o VistaGen

Therapeutics, Inc., 343 Allerton Avenue, South San Francisco, California 94080.

Name and address of beneficial owner	Number of shares beneficially owned	Percent of shares beneficially owned (1)
Executive officers and directors:		
Shawn K. Singh (2)	1,052,112	4.32%
H. Ralph Snodgrass, Ph.D. (3)	704,540	2.94%
Mark A. Smith, M.D., Ph.D. (4)	359,576	1.52%
Jerrold D. Dotson (5)	444,885	1.87%
Mark McPartland (6)	231,036	*
Jon S. Saxe (7)	219,692	*
Brian J. Underdown, Ph.D. (8)	214,941	*
Jerry B. Gin, Ph.D., MBA (9)	348,191	1.48%
5% Stockholders:		
Platinum Long Term Growth Fund VII/Montsant Partners, LLC (10)	4,433,612	16.16%
Sphera Global Healthcare Master Fund (11)	1,247,251	5.34%
All executive officers and directors as a group (8 persons) (12)	3,574,973	13.37%

* less than 1%

&#