

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

FORM 8-K

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

Date of Report (Date of earliest event reported): April 5, 2010

Transdel Pharmaceuticals, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction
of Incorporation)

000-52998
(Commission File Number)

45-0567010
(IRS Employer
Identification No.)

4225 Executive Square, Suite 485
La Jolla, CA
(Address of Principal Executive Offices)

92037
(Zip Code)

Registrant's telephone number, including area code: (858) 457-5300

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

The information included in Item 2.03 is incorporated by reference into this Item 1.01.

Item 2.03. Creation of a Direct Financial Obligation of the Registrant

On April 5, 2010, Transdel Pharmaceuticals, Inc. (the "Company") issued a Senior Convertible Promissory Note (the "Note") to an existing shareholder through a private debt financing. The Note has a two-year term and an annual interest rate of 7.5 percent. The Company has a right to prepay the Note at any time upon providing written notice to the holder. At any time prior to the Company's repayment of the Note, the holder may convert all or any part of the outstanding principal and accrued interest on the Note into shares of the Company's common stock at a conversion rate of \$1.00 per share. All principal and interest are due and payable on April 5, 2012 ("Maturity Date"), subject to prepayment of the Note by the Company or the holder electing to convert the Note into shares of the Company's common stock prior to the Maturity Date. The Company received gross proceeds from the issuance of the Note in the aggregate amount of \$1,000,000. There were no discounts or commissions paid in connection with this private placement. The proceeds will be used for working capital purposes.

The private placement was made solely to "accredited investors," as that term is defined in Regulation D under the Securities Act of 1933, as amended ("Securities Act"). The securities that would be issued upon the conversion of all or a portion of the Note are not registered under the Securities Act or the securities laws of any state, and were offered and sold in reliance on the exemption from registration afforded by Section 4(2) and Regulation D (Rule 506) under the Securities Act and corresponding provisions of state securities laws, which exempt transactions by an issuer not involving any public offering.

The foregoing is not a complete summary of the terms of the Note described in this Item 2.03, and reference is made to the complete text of the Form of Senior Convertible Note Purchase Agreement and Form of Senior Convertible Promissory Note attached hereto as Exhibits 10.1 and 10.2, respectively.

Item 3.02. Unregistered Sales of Equity Securities.

The information included in Item 2.03 is incorporated by reference into this Item 3.02.

Item 8.01. Other Events.

On April 8, 2010, the Company issued a press release announcing the closing of the private debt financing. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The exhibits listed in the following Exhibit Index were filed as exhibits to the Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Form of Senior Convertible Note Purchase Agreement
10.2	Form of Senior Convertible Promissory Note
99.1	Press Release dated April 8, 2010

SIGNATURES

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

Transdel Pharmaceuticals, Inc.

Date: April 8, 2010

By: /s/ John Lomoro

John T. Lomoro
Acting Chief Executive Officer and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press Release dated April 8, 2010

TRANSDel PHARMACEUTICALS, INC.

SENIOR CONVERTIBLE NOTE PURCHASE AGREEMENT

This Senior Convertible Note Purchase Agreement (the "Agreement") is made as of this ___ day of April 2010 by and between Transdel Pharmaceuticals, Inc., a Delaware corporation (the "Company"), and each of the undersigned purchasers as listed on Schedule A attached to this Agreement (each a "Purchaser" and together the "Purchasers").

RECITALS

The Company desires to issue and sell, and each Purchaser desires to purchase, a senior convertible promissory note in substantially the form attached to this Agreement as Exhibit A (the "Note" and collectively, the "Notes") which shall be convertible on the terms stated therein into equity securities of the Company. The Notes and the securities issuable upon conversion thereof (and the securities issuable upon conversion or exercise thereof) are collectively referred to herein as the "Securities."

AGREEMENT

In consideration of the mutual promises contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties to this Agreement agree as follows:

1. Purchase and Sale of Notes.

(a) **Sale and Issuance of Notes.** Subject to the terms and conditions of this Agreement, each Purchaser agrees to purchase at the Closing (as defined below) and the Company agrees to sell and issue to each Purchaser a Note in the principal amount set forth opposite such Purchaser's name on Schedule A. The purchase price of each Note shall be equal to 100% of the principal amount of such Note.

(b) Closing; Delivery.

(i) The purchase and sale of the Notes shall take place at the offices of DLA Piper, 4365 Executive Drive 11th Floor, San Diego, California 92121 at 10:00 a.m., on April ___, 2010, or at such other time and place as the Company and the participating Purchaser(s) mutually agree upon, orally or in writing (which time and place are designated as the "Initial Closing"). After the Initial Closing, the Company may complete one or more additional closings with Purchasers. In the event there is more than one closing, the term "Closing" shall apply to each such closing.

(ii) At each Closing, the Company shall deliver to each Purchaser participating in such Closing the Note to be purchased by such Purchaser against
(1) payment of the purchase price therefor by check payable to the Company or by wire transfer to a bank account designated by the Company and
(2) delivery of counterpart signature pages to this Agreement.

(iii) Until April 30, 2010, the Company may sell additional Notes to such persons or entities as determined by the Company, or to any Purchaser who desires to acquire additional Notes, until the Company issues \$1,000,000 of Notes in the aggregate. All such sales shall be made on the terms and conditions set forth in this Agreement. For purposes of this Agreement, and all other agreements contemplated hereby, any additional purchaser so acquiring Notes shall be deemed to be a "Purchaser" for purposes of this Agreement, and any notes so acquired by such additional purchaser shall be deemed to be "Notes" and "Securities" as applicable.

2. **Additional Agreements.** Each Purchaser understands and agrees that the conversion of the Notes into securities of the Company will require such Purchaser's execution of certain agreements relating to the purchase and sale of such securities as well as any rights relating to such securities, and each such Purchaser agrees to execute and deliver such agreements to the Company upon request.

3. **Representations and Warranties of the Company.** The Company hereby represents and warrants to each Purchaser that the following representations are true and complete as of the date of the Initial Closing, unless otherwise indicated:

(a) **Organization, Good Standing and Qualification.** The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power and authority to carry on its business as presently conducted and as currently proposed to be conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure so to qualify would have a material adverse effect on its business or properties.

(b) **Authorization.** All corporate action on the part of the Company, its officers, directors and shareholders necessary for the authorization, execution and delivery of this Agreement and the authorization, sale, issuance and delivery of the Notes and the Securities issuable on conversion thereof, and the performance of all obligations of the Company under this Agreement and the Notes has been taken or will be taken prior to the Closing. The Agreement and the Notes, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

4. **Representations and Warranties of the Purchasers.** Each Purchaser hereby represents and warrants to the Company that:

(a) **Authorization.** The Purchaser has full power and authority to enter into this Agreement. This Agreement, when executed and delivered by the Purchaser, will constitute a valid and legally binding obligation of the Purchaser, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, and as limited by laws relating to the availability of a specific performance, injunctive relief, or other equitable remedies.

(b) **Purchase Entirely for Own Account.** This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Securities to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to any of the Securities. If the Purchaser is a corporation, partnership or other entity, the Purchaser has not been formed for the specific purpose of acquiring any of the Securities.

(c) **Knowledge.** The Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities.

(d) **Restricted Securities.** The Purchaser understands that the Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Securities are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Securities indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Securities for resale. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Securities, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

(e) **No Public Market.** The Purchaser understands that no public market now exists for any of the Notes issued by the Company or any Securities of the Company other than the Company's Common Stock, and that the Company has made no assurances that a public market will ever exist for the Notes or any other Securities of the Company other than the Company's Common Stock.

(f) **Legends.** The Purchaser understands that the Securities, and any securities issued in respect thereof or exchange therefor, may bear one or all of the following legends:

(i) "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO

THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.”

(ii) Any legend required by the securities laws of any state to the extent such laws are applicable to the shares represented by the certificate so legended.

(g) **Accredited Investor.** The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

5. **Conditions of the Purchasers’ Obligations at Closing.** The obligations of each Purchaser to the Company under this Agreement are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived:

(a) **Representations and Warranties.** The representations and warranties of the Company contained in Section 3 shall be true and correct in all material respects on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the date of the Initial Closing.

(b) **Qualifications.** All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement shall be obtained and effective as of the Closing.

6. **Conditions of the Company’s Obligations at Closing.** The obligations of the Company to each Purchaser under this Agreement are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived:

(a) **Representations and Warranties.** The representations and warranties of each Purchaser contained in Section 4 shall be true and correct in all material respects on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the Closing.

(b) **Qualifications.** All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement shall be obtained and effective as of the Closing.

7. **Senior Debt Covenant.** So long as any Note(s) are outstanding, the Company will not (either directly or by amendment, merger, consolidation, or otherwise) without (a) obtaining the written consent of the Purchasers holding a majority-in-interest of the then outstanding Notes or (b) amending the Note(s) then outstanding to provide the same terms and conditions of such new debt: (i) create or authorize the creation of or issue any other debt instrument having rights, preferences or privileges senior to (with respect to interest rate or repayment terms, timing and manner of payment, security interest, priority of payment, conversion rights, equity or other securities issued in connection with the debt) the Notes (not including trade credit or payables incurred in the ordinary course of business) or (ii) grant any third party a security interest in the Company’s assets, including its intellectual property. Notwithstanding Section 8(g), any amendment to improve the terms and conditions of the

Note(s) in accordance with the provisions of this Section 7, shall be automatically binding on the Purchasers without the need to obtain the agreement or consent of any of the Purchasers.

8. **Miscellaneous.**

(a) **Successors and Assigns.** The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties, including transferees of any Securities. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(b) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(c) **Counterparts.** This Agreement may be executed in two or more counter-parts, each of which shall be deemed an original and all of which together shall constitute one instrument. By executing this Agreement, the Purchaser agrees to be bound by and to be a party to the Note.

(d) **Titles and Subtitles.** The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(e) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon delivery, when delivered personally or by overnight courier or sent by fax (upon customary confirmation of receipt), or 48 hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, addressed to the party to be notified at such party's address as set forth on the signature page or Schedule A hereto, or as subsequently modified by written notice.

(f) **Finder's Fee.** Each party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. Each Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's fee arising out of the transaction (and the costs and expenses of defending against such liability or asserted liability) for which each Purchaser or any of its officers, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's fee arising out of the transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

(g) **Amendments and Waivers.** Any term of this Agreement may be amended or waived only with the written consent of the Company and the Purchasers holding at least a majority in interest of the then outstanding Notes. Any amendment or waiver effected in accordance with this Section 8(g) shall be binding upon each Purchaser and each of the Notes

and each transferee of such Securities, each future holder of all such Securities, and the Company, regardless of whether or not the Purchaser agrees with or provides his, her or its consent to such amendment or waiver.

(h) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as though such provision were so excluded and shall be enforceable in accordance with its terms.

(i) **Entire Agreement.** This Agreement, and the documents referred to herein constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and any and all other written or oral agreements existing between the parties hereto are expressly canceled.

(j) **Exculpation Among Purchasers.** Each Purchaser acknowledges that it is not relying upon any person, firm or corporation, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. Each Purchaser agrees that no Purchaser nor the respective controlling persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with the Securities.

(k) **Stockholders, Officers and Directors Not Liable.** In no event shall any stockholder, officer or director of the Company be liable for any amounts due or payable pursuant to the Note.

[Signature Pages Follow]

The parties have executed this Senior Convertible Note Purchase Agreement as of the date first written above.

COMPANY:

Transdel Pharmaceuticals, Inc.

By: _____
Name: _____
Its: _____
Address: _____

PURCHASERS:

Name: _____
Its: _____
Address: _____

**[SIGNATURE PAGE TO SENIOR CONVERTIBLE
NOTE PURCHASE AGREEMENT**

FORM OF SENIOR CONVERTIBLE PROMISSORY NOTE

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

SENIOR CONVERTIBLE PROMISSORY NOTE

\$ _____, 2010 ("NoteDate")
San Diego, California

For value received, Transdel Pharmaceuticals, Inc., a Delaware corporation (the "Company"), promises to pay to _____ (the "Holder"), the principal sum of _____ dollars (\$_____). Interest shall accrue from the date of this Note on the unpaid principal amount at a rate equal to 7.5% per annum. This Note is one of a series of Senior Convertible Promissory Notes containing substantially identical terms and conditions issued pursuant to that certain Senior Convertible Promissory Note Purchase Agreement, dated April __, 2010 (the "Purchase Agreement"). Such Notes are collectively referred to herein as the "Notes," and the holders thereof are collectively referred to herein as the "Holders." Capitalized terms set forth in this Note, but not otherwise defined herein, shall have the meaning set forth in the Purchase Agreement. This Note is subject to the following terms and conditions:

1. **Maturity.** Unless converted as provided in Section 2 below, this Note will mature and be due and payable upon demand by the Purchasers holding a majority-in-interest of the then outstanding Notes held by the Purchasers, at any time following the two (2)-year anniversary of the Initial Closing (as defined in the Purchase Agreement) (the "Maturity Date"). Subject to Section 2 below, interest shall accrue on this Note but shall not be due and payable until the Maturity Date. Notwithstanding the foregoing, the entire unpaid principal sum of this Note, together with accrued and unpaid interest thereon, shall become immediately due and payable upon the execution by the Company of a general assignment for the benefit of creditors, the filing by or against the Company of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more, or the appointment of a receiver or trustee to take possession of the property or assets of the Company.

2. **Optional Conversion of Notes.**

(a) **Optional Conversion.** At any time following the Closing and for so long as the Note remains outstanding, the Holder can elect to convert the full or a partial amount of principal and accrued and unpaid interest outstanding on the Holder's Note into shares of the

Company's Common Stock at a conversion ratio equal to (i) the full or partial amount of principal and accrued and unpaid interest outstanding on the Note that the Holder elects to convert divided by (ii) the closing sale price of the Company's Common Stock on the Initial Closing.

(b) **Mechanics and Effect of Optional Conversion.** No fractional shares of the Company's Common Stock will be issued upon the optional conversion of this Note. Upon the optional conversion of this Note pursuant to this Section 2, the Holder shall surrender this Note, duly endorsed, at the principal offices of the Company or any transfer agent of the Company and shall deliver executed documents relating to the Common Stock into which the Note will be converted. At its expense, the Company will, as soon as practicable thereafter, issue and deliver to such Holder, at such principal office, (i) a certificate or certificates for the number of shares of Common Stock to which such Holder is entitled upon such optional conversion and (ii) if Holder does not elect to optionally convert all outstanding principal and accrued and unpaid interest on the Note, a new Note in the amount equal to the unconverted principal and accrued and unpaid interest on the Note. Upon the full or partial optional conversion of this Note, the Company will be forever released from all of its obligations and liabilities under this Note with regard to that portion of the principal amount and accrued and unpaid interest being optionally converted.

3. **Conversion Upon Change of Control.** In the event of a Change of Control of the Company prior to the Maturity Date, then the Holder shall be entitled to receive the greater of (y) the principal and unpaid interest outstanding on the Note or (z) the amount of proceeds the Holder would be entitled to receive as a holder of the Company's Common Stock assuming that the Holder exercised his, her or its Optional Conversion rights under Section 2 above. The term "Change of Control" shall mean the sale, conveyance or other disposition of all or substantially all of the Company's property or business or the Company's merger with or into or consolidation with any other corporation, limited liability company or other entity (other than a wholly owned subsidiary of the Company), provided that the term "Change of Control" shall not include a merger of the Company effected exclusively for the purpose of changing the domicile of the Company, to an equity financing in which the Company is the surviving corporation, or to a transaction in which the shareholders of the Company immediately prior to the transaction own 50% or more of the voting power of the surviving corporation following the transaction.

4. **Payment; Prepayment.** All payments shall be made in lawful money of the United States of America at such place as the Holder hereof may from time to time designate in writing to the Company. Payment shall be credited first to the accrued interest then due and payable and the remainder applied to principal. Prepayment of this Note may be made at any time by the Company by providing the Holder with five (5) business days prior written notice.

5. **Transfer; Successors and Assigns.** The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Notwithstanding the foregoing, the Holder may not assign, pledge, or otherwise transfer this Note without the prior written consent of the Company. Subject to the preceding sentence, this Note may be transferred only upon surrender of the original Note for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, a new Note for the same principal amount and interest will be

issued to, and registered in the name of, the transferee. Interest and principal are payable only to the registered holder of this Note.

6. **Governing Law.** This Note and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

7. **Amendments and Waivers.** Any term of this Note may be amended or waived only with the written consent of the Company and the Purchasers holding at least a majority in interest of the then outstanding Notes held by the Purchasers. Any amendment or waiver effected in accordance with this Section 7 shall be binding upon each Holder and each of the Notes and each transferee of the Notes, each future holder of the Notes, and the Company, regardless of whether or not the Holder agrees with or provides his, her or its consent to such amendment or waiver.

8. **Loss of Note.** Upon receipt by the Company of written evidence from the Holder satisfactory to the Company of the loss, theft, destruction or mutilation of the Note or any Note exchanged for it, and indemnity satisfactory to the Company (in case of loss, theft or destruction) or surrender and cancellation of such Note (in case of mutilation), the Company will make and deliver to Purchaser in lieu of such Note a new Note of like tenor.

COMPANY:

TRANSDel PHARMACEUTICALS, INC.

By: _____
Name: _____
Its: _____
Address: _____



Transdel Pharmaceuticals Closes \$1 Million Debt Financing

— Company Provides Update on Recent Accomplishments —

LA JOLLA, CA — April 8, 2010 — Transdel Pharmaceuticals, Inc. (OTCBB: TDLP), a specialty pharmaceutical company focused on developing topically administered products using its proprietary transdermal delivery platform, today announced that it has completed a private debt financing of \$1 million.

The Company issued a senior convertible promissory note with an annual interest rate of 7.5 percent to an existing shareholder. The note has a two-year term. The Company has a right to prepay the note at any time upon providing written notice to the holder. At any time prior to the Company's repayment of the note, the holder may convert all or any part of the outstanding principal and accrued interest on the note into shares of the Company's common stock at a conversion rate of \$1.00 per share.

"We are pleased by the continued support from our shareholders. This financing provides us with additional resources to continue planning the second Phase 3 clinical study for our lead topical pain drug, Ketotransdel® as well as continue our ongoing partner discussions for Ketotransdel® with U.S. and foreign based companies," said John Lomoro, Acting Chief Executive Officer and Chief Financial Officer. "During 2010, we plan to raise additional funding through either partnership arrangements or further equity or debt financings to complete the Phase 3 clinical program for Ketotransdel®."

Separately, Transdel highlighted its accomplishments during 2009, underscored by the completion of the first Phase 3 clinical study for Ketotransdel®. Significant achievements that occurred recently or during 2009 include:

Ketotransdel®

- In October 2009, the Company announced top-line results from the Phase 3 clinical study of Ketotransdel®, a topical cream based non-steroidal anti-inflammatory drug for acute pain. The 364 patient study demonstrated statistical significance in its primary endpoint in the per protocol analysis and was favorable for Ketotransdel® in the Intent-To Treat (ITT) Analysis. Ketotransdel® also demonstrated an excellent safety and tolerability profile.
- In January 2010, the Company reported the results of its further in-depth analyses of the ITT data from the Ketotransdel® Phase 3 study. For the modified ITT analysis, the Company identified 35 patients who did not meet study entry criteria at the time of randomization. Excluding the data from these patients who should not have been randomized into the study based on information that was not known at the time of enrollment, the study demonstrated statistical significance ($p < 0.038$) on the primary efficacy endpoint. This analysis was confirmed by a third-party statistical expert.

Anti-Cellulite Cosmeceutical Product

- In June 2009, the Company announced that it had entered into a licensing agreement providing JH Direct, LLC with the exclusive worldwide rights to the Company's anti-cellulite cosmeceutical product which utilizes the Transdel™ patented transdermal delivery system technology. The Company anticipates that JH Direct will launch the anti-cellulite product through a direct response television campaign during the second half of 2010.
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Management

- The Company added two experienced pharmaceutical executives to the management team with the appointment of Joachim P.H. Schupp, M.D. as Chief Medical Officer and Terry Nida as Chief Business Officer. In addition, John Lomoro, the Company's Chief Financial Officer, is serving as Acting Chief Executive Officer as the Board of Directors undertakes a search for a permanent Chief Executive Officer. This expanded management team more fully positions the Company as it focuses on commercial opportunities for its proprietary product candidates and novel Transdel™ drug delivery system.

About Transdel Pharmaceuticals, Inc.

Transdel Pharmaceuticals, Inc. (OTCBB: TDLP) is a specialty pharmaceutical company developing non-invasive, topically delivered products. The Company's innovative-patented Transdel™ cream formulation technology is designed to facilitate the effective penetration of a variety of products through the tough skin barrier. Ketotransdel®, the Company's lead pain product, has completed a Phase 3 clinical trial and utilizes the Transdel™ technology to deliver the active drug, ketoprofen, a non-steroidal anti-inflammatory drug through the skin directly into the underlying tissues where the drug exerts its well-known anti-inflammatory and analgesic effects. The Company intends to leverage its Transdel™ platform technology to expand and create a portfolio of topical products for a variety of indications. The Company is actively pursuing partnerships with companies to expand its product portfolio for pharmaceutical and cosmetic/cosmeceutical products. For more information, please visit <http://www.transdelpharma.com>.

Safe Harbor Statement

The Company cautions you that the statements included in this press release that are not a description of historical facts are forward-looking statements. These include statements regarding: the Company's interpretation of the results of its Phase 3 clinical trial for Ketotransdel®; the Company's ability to obtain regulatory approval to market Ketotransdel; and the Company's ability to complete additional development activities for products utilizing its proprietary transdermal delivery platform. Actual results may differ materially from those set forth in this press release due to the risks and uncertainties inherent in the Company's business, including, without limitation: the outcome of the final analyses of the data from the Phase 3 clinical trial may vary from the Company's initial conclusions; the FDA may not agree with the Company's interpretation of such results or may challenge the adequacy of the Company's clinical trial design or the execution of the clinical trial; the FDA may continue to require the Company to complete additional clinical trials for Ketotransdel® before the Company can submit a 505(b)(2) NDA application; the results of any future clinical trials may not be favorable and the Company may never receive regulatory approval for Ketotransdel®; and the Company's current need to raise additional funding to complete its product development plans. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q filed with the SEC. Such documents may be read free of charge on the SEC's web site at www.sec.gov. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement and the Company undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof. This caution is made under the safe harbor provisions of Section 21E of the Private Securities Litigation Reform Act of 1995.

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