

**FORM 3**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB 3235-  
Number: 0104  
Estimated average  
burden hours per  
response... 0.5**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF  
SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or  
Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * Kaye Mitchell D	2. Date of Event Requiring Statement (Month/Day/Year) 05/08/2013	3. Issuer Name <b>and</b> Ticker or Trading Symbol AEOLUS PHARMACEUTICALS, INC. [AOLS]	
(Last) (First) (Middle) C/O AEOLUS PHARMACEUTICALS, INC., 26361 CROWN VALLEY PARKWAY, SUITE 150		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street) MISSION VIEJO, CA 92691			6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(City) (State) (Zip)	<b>Table I - Non-Derivative Securities Beneficially Owned</b>		

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, \$0.01 par value per share	96,931,944	I	See Footnotes <a href="#">(1)</a> <a href="#">(2)</a> <a href="#">(3)</a>

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

SEC 1473 (7-02)

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

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kaye Mitchell D C/O AEOLUS PHARMACEUTICALS, INC. 26361 CROWN VALLEY PARKWAY, SUITE 150 MISSION VIEJO, CA 92691	X			

**Signatures**

/s/ Mitchell D. Kaye

05/10/2013

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

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

(1) The reporting person, Mitchell D. Kaye ("Mr. Kaye"), is a Co-Managing Member of Xmark Capital Partners, LLC, a Delaware limited liability company ("Capital Partners"), which is the Managing Member of Xmark Opportunity Partners, LLC, a Delaware limited liability company ("Opportunity Partners"). Opportunity Partners is the sole member of the investment manager of Xmark Opportunity Fund, L.P., a Delaware limited partnership ("Opportunity LP"), and Xmark Opportunity Fund, Ltd., a Cayman Islands exempted company ("Opportunity Ltd," and, together with Opportunity LP, the "Investors"), and, as such, possesses the sole power to vote and the sole power to direct the disposition of all securities of Aeolus Pharmaceuticals, Inc., a Delaware corporation (the "Company"), held by the Investors.

(2) Opportunity Partners is the investment manager of Xmark JV Investment Partners, LLC, a Delaware limited liability company ("JV Partners"), and, as such, possesses the sole power to vote and the sole power to direct the disposition of all securities of the Company held by JV Partners. Collectively, Opportunity LP and Opportunity Ltd hold a majority of the membership interests in Goodnow Capital, L.L.C., a Delaware limited liability company ("Goodnow"), and, as such, possesses the sole power to vote and the sole power to direct the disposition of all securities of the Company held by Goodnow. David C. Cavalier, a Co-Managing Member of Capital Partners, and Mr. Kaye share voting and dispositive power with respect to all securities beneficially owned by Opportunity Partners.

(3) Mr. Kaye's interest in the securities reported herein is limited to the extent of his pecuniary interest in Opportunity LP, Opportunity Ltd and JV Partners, if any, and neither the filing of this Form 4 nor any of its contents shall be deemed to constitute an admission by Mr. Kaye or any other person/entity that he or it was or is the beneficial owner of any of the securities referred to herein for purposes of Section 16 of the Securities Exchange Act of 1934, or for any other purpose.

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

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

**POWER OF ATTORNEY**

Know all by these presents, that the undersigned hereby constitutes and appoints each of John L. McManus and Russell Skibsted, signing singly, the undersigned's true and lawful attorney-in-fact and agent to:

- (1) execute for and on behalf of the undersigned, an officer, director and/or holder of 10% or more of a registered class of securities of Aeolus Pharmaceuticals, Inc., a Delaware corporation (the "Company"), Forms 3, 4, and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder;
- (2) do and perform any and all acts for and on behalf of the undersigned that may be necessary or desirable to complete and execute any such Form 3, 4 and 5, complete and execute any amendment or amendments thereto, and timely file such forms or amendments with the United States Securities and Exchange Commission and any stock exchange or similar authority, as required; and
- (3) take any other action of any nature whatsoever in connection with the foregoing which, in the opinion of any such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934, as amended.

This Power of Attorney shall remain in full force and effect with respect to the undersigned until the earliest to occur of (a) the undersigned is no longer required to file Forms 3, 4, and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, or (b) revocation by the undersigned in a signed writing delivered to the Company and the foregoing attorneys-in-fact. This Power of Attorney shall terminate with respect to each of the foregoing attorneys-in-fact at such time as such attorney-in-fact is no longer employed by the Company or any of its subsidiaries.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 8<sup>th</sup> day of May, 2013.

/s/ Mitchell D. Kaye  
Signature

Mitchell D. Kaye  
Print Name

