

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

1. Name and Address of Reporting Person* <u>ELDER WILLIAM ROBERT</u> (Last) (First) (Middle) 1317 CARLTON AVENUE, SUITE 200 (Street) CHARLOTTESVILLE VA 22902 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Diffusion Pharmaceuticals Inc. [DFFN]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ Officer (give title below) _____ Other (specify below) _____ <u>GC & Secretary</u>
	3. Date of Earliest Transaction (Month/Day/Year) 03/01/2021	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Option (Right to Buy)	\$1.11	03/01/2021		A		87,684		(1)	03/01/2031	Common Stock	87,684	\$0	87,684	D	
Stock Option (Right to Buy)	\$1.11	03/01/2021		A		62,522		(2)	03/01/2031	Common Stock	62,522	\$0	62,522	D	

Explanation of Responses:

- The shares of common stock underlying the award will vest in 36 equal (or as near equal as possible) monthly installments on the last calendar day of each month over a 36-month period commencing March 31, 2021.
- The amount reported reflects the maximum number of shares of common stock underlying the award that may vest based upon the achievement of specified performance metrics. The vesting of such shares is contingent upon the timely and successful achievement during the year ending December 31, 2021 of certain performance milestones related to the Issuer's planned clinical trials, with the vesting of one-third (1/3) of the total shares tied to each such milestone. If any such milestone is achieved, one-third (1/3) of the shares tied to such milestone (i.e. one-ninth (1/9) of the total shares underlying the award) will vest immediately and the remainder of the shares tied to such milestone (i.e. two-ninths (2/9) of the total shares underlying the award) will vest in 24 equal (or as near equal as possible) monthly installments on the last calendar day of each month over a 24-month period commencing January 31, 2022. In order for all shares underlying the award to vest, all three milestones must

/s/ William R. Elder 03/04/2021
 ** Signature of Reporting Person Date

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

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

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

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

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 Number.