

ORE PHARMACEUTICAL HOLDINGS INC.
One Main Street, Suite 300
Cambridge, Massachusetts 02142

NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS
To Be Held On May 23, 2011

To the Stockholders of Ore Pharmaceutical Holdings Inc.:

The 2011 annual meeting of stockholders (the "Meeting") of Ore Pharmaceutical Holdings Inc., a Delaware corporation (the "Company"), will be held on Monday, May 23, 2011, at 10:00 a.m., local time, at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022, for the following purposes:

1. To elect three directors to our Board of Directors (the "Board"), two of whom shall serve until the 2013 annual meeting of stockholders and until their successors have been duly elected and qualified, and one of whom shall serve until the 2014 annual meeting of stockholders and until his successor has been duly elected and qualified;
2. To amend the Company's Certificate of Incorporation ("Certificate of Incorporation") to permit the Company to change its name from Ore Pharmaceutical Holdings Inc. to Ore Holdings, Inc.;
3. To authorize the Board, at its discretion, to amend the Certificate of Incorporation to effect a reverse stock split of the Company's common stock \$0.01 par value ("Common Stock") by a ratio of up to 1-for-10,000 shares with the exact exchange ratio to be determined by the Board in its sole discretion, immediately followed by a forward stock split of the Company's Common Stock by a ratio of up to 10,000-for-1, with the exact exchange ratio to be determined by the Board in its sole discretion; and
4. The transaction of such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Board has fixed the close of business on March 28, 2011 as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting or any adjournment or postponement thereof. Only stockholders of record of Common Stock of the Company at the close of business on the record date are entitled to notice of and to vote at the Meeting.

Your vote is very important. All stockholders are cordially invited to attend the Meeting. We urge you, whether or not you plan to attend the Meeting, to submit your proxy by completing, signing, dating and mailing the enclosed proxy or voting instruction card in the postage-paid envelope provided. If a stockholder who has submitted a proxy attends the Meeting in person, such stockholder may revoke the proxy and vote in person on all matters submitted at the Meeting.

The notice and proxy statement are first being mailed to our stockholders on or about April 15, 2011.

Please follow the voting instructions on the enclosed proxy card to vote.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "Terry R. Gibson".

Terry R. Gibson
President, Chief Executive Officer and Chief
Financial Officer

April 15, 2011

ORE PHARMACEUTICAL HOLDINGS INC.
One Main Street, Suite 300
Cambridge, Massachusetts 02142

PROXY STATEMENT

For 2011 Annual Meeting Of Stockholders
To Be Held On May 23, 2011

This proxy statement contains information related to the 2011 annual meeting of stockholders (the "Meeting") of Ore Pharmaceutical Holdings Inc. ("Ore" or the "Company") to be held on Monday, May 23, 2011, at 10:00 a.m., at the offices of Olshan Grundman Frome Rosenzweig & Wolosky LLP at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022. The notice and proxy statement are first being mailed to our stockholders on or about April 15, 2011.

About the Meeting

Purpose of the Meeting

At the Meeting, holders of Ore common stock, \$0.01 par value ("Common Stock"), will hear an update on the Company's operations, have a chance to meet some of its directors and executives and will act on the following matters:

1. To elect three directors to our Board of Directors (the "Board"), two of whom shall serve until the 2013 annual meeting of stockholders and until their successors have been duly elected and qualified, and one of whom shall serve until the 2014 annual meeting of stockholders and until his successor has been duly elected and qualified;
2. To amend the Company's Certificate of Incorporation ("Certificate of Incorporation") to permit the Company to change its name from Ore Pharmaceutical Holdings Inc. to Ore Holdings, Inc.;
3. To authorize the Board, at its discretion, to amend the Certificate of Incorporation to effect a reverse stock split of the Company's Common Stock ("Common Stock") by a ratio of up to 1-for-10,000 with the exact exchange ratio to be determined by the Board in its sole discretion, immediately followed by a forward stock split of the Company's Common Stock by a ratio of up to 10,000-for-1, with the exact exchange ratio to be determined by the Board in its sole discretion; and
4. The transaction of such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Who May Vote

Our outstanding voting securities consist of shares of Common Stock. Only holders of record of shares of Common Stock at the close of business on March 28, 2011, the record date of the Meeting, are entitled to notice of and to vote at the Meeting. On the record date of the Meeting, there were 8,598,519 shares of Common Stock outstanding and entitled to vote at the Meeting. The holders of a majority of the shares of Common Stock issued and outstanding and entitled to vote at the Meeting is necessary to constitute a quorum. Each share of Common Stock is entitled to one vote. Steel Partners, Ltd. ("SPL")

and its affiliates and the members of the Board (who collectively in the aggregate own in excess of 43% of the outstanding shares of Common Stock), have indicated to the Company that they intend to vote all of their shares of Common Stock in favor of all proposals contained in this proxy statement.

Attending in Person

Only holders of Common Stock, their proxy holders and our invited guests may attend the Meeting. If you wish to attend the Meeting in person but you hold your shares through someone else, such as a stockbroker, you must bring proof of your ownership and identification with a photo at the Meeting. For example, you may bring an account statement showing that you beneficially owned Ore shares as of March 28, 2011 as acceptable proof of ownership.

Instructions for Holders of Common Stock

How to Vote

You may vote in person at the Meeting or by proxy. We recommend that you vote by proxy even if you plan to attend the Meeting. You can always change your vote at the Meeting. Proxy cards must be received by us before voting begins at the Meeting.

How Proxies Work

Our Board is asking for your proxy. Giving us your proxy means you authorize us to vote your shares at the Meeting in the manner you direct. You may vote for all, some or none of our director nominees. You also may vote for or against any other proposal or abstain from voting.

Proxies submitted by mail will be voted by the individuals named on the proxy card in the manner you indicate. If you give us your proxy but do not specify how you want your shares voted, they will be voted in accordance with the Board's recommendations set forth in this proxy statement.

You may receive more than one proxy or voting card depending on how you hold your shares. If you hold shares through someone else, such as a stockbroker, you may get materials from them asking how you want to vote. The latest signed proxy we receive from you will determine how we will vote your shares.

Revoking a Proxy

There are three ways to revoke your proxy. First, you may submit a new signed proxy with a later date up until the existing proxy is voted. Second, you may vote in person at the Meeting (although attendance at the Meeting will not, in and of itself, constitute a revocation of the proxy). Finally, you may write to the Company's corporate secretary at One Main Street, Suite 300, Cambridge, Massachusetts 02142 that you are revoking your proxy.

Quorum

In order to act on the proposals described herein, we must have a quorum of stockholders at the Meeting. The holders of a majority of the shares of Common Stock issued and outstanding and entitled to vote at the Meeting is necessary to constitute a quorum. Shares that the Company holds as treasury shares are not voted and do not count for this purpose.

Votes Needed

With respect to Proposal No. 1, the director nominees receiving a plurality of the votes cast at the Meeting will be elected to fill the seats of our Board. This means that the nominees who receive the most votes will be elected. For purposes of the election of directors, the withholding of authority by a stockholder as to the election of directors will have no effect on the results of the election. To approve Proposal No. 2, to amend the Certificate of Incorporation to change the name of the Company from Ore Pharmaceutical Holdings Inc. to Ore Holdings, Inc., the holders of a majority of the outstanding shares of Common Stock must cast votes “for” the proposal. Abstentions and broker non-votes will have the effect of a vote “against” Proposal No. 2. To approve Proposal No. 3, to authorize the Board, at its discretion, to amend the Certificate of Incorporation of the Company to effect a reverse stock split of the Company’s Common Stock by a ratio of up to 1-for-10,000 with the exact exchange ratio to be determined by the Board in its sole discretion immediately followed by a forward stock split of the Company’s Common Stock by a ratio of up to 10,000-for-1, with the exact exchange ratio to be determined by the Board in its sole discretion, the holders of a majority of the outstanding shares of Common Stock must cast votes “for” the proposal. Abstentions and broker non-votes will have the effect of a vote “against” Proposal No. 3.

Proxies that abstain on one or more proposals and broker non-votes will be deemed present for quorum purposes for all proposals to be voted on at the Meeting. Broker non-votes occur where a broker holding shares in “street name” is entitled to vote the shares on some matters but not others. If your shares are in street name (or held by your broker) and you do not give your broker voting instructions on those matters for which the broker has no discretion, the missing votes are broker non-votes. Brokers are not entitled to vote on any of this year’s proposals in the event they do not receive voting instructions from their clients. Client directed abstentions are not broker non-votes. Stockholders who sign, date and return a proxy but do not indicate how their shares are to be voted are giving management full authority to vote their shares as they deem best for Ore. For these reasons, it is important that all shares are represented at the Meeting, either by you personally attending the Meeting or by giving a proxy to vote your shares.

**PROPOSAL 1
ELECTION OF DIRECTORS**

Ore's Certificate of Incorporation and Bylaws provide that the Board shall be divided into three classes, with each class having a three-year term. At each Annual Meeting, the stockholders elect directors for a full term of three years to succeed the directors of the class whose terms expire at such Annual Meeting. However, vacancies on the Board (including vacancies caused by an increase in the size of the Board) are filled by persons elected by a majority of the remaining directors. A director elected by the Board to fill a vacancy (including a vacancy created by an increase in the Board) serves for the remainder of the full term of the class of directors in which the vacancy occurred or until such director's successor is elected and qualified.

The Board is presently composed of four members and no vacancies. The Board has determined that the size of the Board will remain at four members. There is one director in the class whose term of office expires in 2011. If elected at the Annual Meeting, this nominee would serve until the 2014 Annual Meeting and until his successor is elected and has qualified, or until such director's earlier death, resignation or removal for cause.

In addition, because the Company did not hold an annual meeting of stockholders in 2010, there are two directors in the class whose term of office was originally intended to expire in 2010. If elected at the Annual Meeting, these nominees would serve until the 2013 Annual Meeting and until their successors are elected and have qualified, or until such directors' earlier death, resignation or removal for cause.

A director is elected by a plurality of the votes present in person or represented by proxy and entitled to vote on the election of directors. Shares represented by executed proxies will be voted, if the authority to do so is not withheld, for the election of the nominees named below. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, shares represented by executed proxies will be voted for the election of such substitute nominee as the Board may propose. The persons nominated for election have agreed to serve if elected, and Ore has no reason to believe that any of the nominees will be unable to serve.

The following table sets forth, the name of the Board's nominees for election as a director and the director who will continue to serve after the Annual Meeting. Also set forth below is certain other information with respect to each such person's age, the periods during which he has served as a director and positions currently held with Ore.

Nominee for a Three-Year Term	Age	Director Since	Expiration of Term	Positions and Offices Held
J. Stark Thompson, Ph.D.	69	2002	2014	Director
Nominees for a Two-Year Term				
Jack Howard	49	2010	2013	Chairman of the Board of Directors
Kenneth Kong	37	2010	2013	Director
Continuing Director				
G. Anthony Gorry, Ph.D.	70	1997	2012	Director

Set forth below is biographical information for the person nominated and each person whose term of office as a director will continue after the Annual Meeting.

Nominee for election for a term expiring at the 2014 Annual Meeting of Stockholders

J. Stark Thompson, Ph.D. served as non-executive Chairman of the Board of Ore from November 2004 until October 2010 and has served as a director since February 2002. From 1988 until his retirement in November 2000, Dr. Thompson served as the President, Chief Executive Officer and Director of Life Technologies, Inc. (NASDAQ: LTEK), a developer, manufacturer and supplier of products and services for life science research. Life Technologies, Inc. was acquired by Invitrogen in July 2000 for \$1.9 billion. Prior to joining Life Technologies, Inc., he spent twenty one years in roles of increasing responsibility with DuPont Company, including several years as Business Director for the company's Clinical Systems Division.

Dr. Thompson served on the Board of Luminex Corporation (NASDAQ: LMNX) from 2005 to June 2009, and currently serves on the Boards of Naurex Inc and MaxCyte Inc., two privately-held companies. Dr. Thompson received a BS degree from Muskingum College and MSc and PhD degrees in Physiological Chemistry from the Ohio State University.

Nominees for election for a term expiring at the 2013 Annual Meeting of Stockholders

Jack L. Howard has served as a Chairman of the Board since 2010. Mr. Howard is the President of Steel Partners LLC, a global management firm, and has been associated with Steel Partners LLC and its affiliates since 1993. Mr. Howard has been the President of Steel Partners Holdings L.P. ("SPH"), a global diversified holding company that engages or has interests in a variety of operating businesses through its subsidiary companies, since January 2009. Mr. Howard co-founded Steel Partners II, L.P., a private investment partnership, in 1993. He has been a registered principal of Mutual Securities, Inc., a FINRA registered broker-dealer, since 1989. Mr. Howard has served as the President of SP Acquisition Holdings, Inc., a company formed for the purpose of acquiring one or more businesses or assets, since July 2009. He also served as Chief Operating Officer from June 2007 to October 2009 and has served as its Secretary from February 2007 to October 2009. He also served as a director of SP Acquisition from February 2007 to June 2007 and as its Vice-Chairman from February 2007 to August 2007. Mr. Howard served as Chairman of the Board of a predecessor entity of SPH from June 2005 to December 2008, as a director from 1996 to December 2008 and its Vice President from 1997 to December 2008. From 1997 to May 2000, he also served as Secretary, Treasurer and Chief Financial Officer of SPH's predecessor entity. Mr. Howard has served as a director of NOVT Corporation, a former developer of advanced medical treatments for coronary and vascular disease, since April 2006 and as the Treasurer of NOVT since September 2007. He has served as a director of CoSine Communications, Inc., a former global telecommunications equipment supplier, since July 2005. He served as Chairman of the Board and Chief Executive Officer of Gateway Industries, Inc., until February 2011 when it merged with Sillerman Investment Corporation. Formerly it was a provider of database development and web site design and development services, and he served as Chief Executive Officer from February 2004 to April 2007, and as Vice President from December 2001 to April 2007. Mr. Howard has been a director of ADPT Corporation, formerly Adaptec, Inc., a storage solution provider, since December 2007. Mr. Howard serves as Chairman of the Board of BNS Holding, Inc., ("BNS") a holding company, whose business is now an oil services company, since July 2010. He currently holds the securities licenses of Series 7, Series 24, Series 55, and Series 63.

Kenneth Kong, age 37 was elected as a Director in 2010. He has also served as a Director of the Fox and Hound Restaurant Group since February 2006, BNS since 2009 and a Director of China Access Paper Investment Company Limited since December 2006. Mr. Kong is currently a Principal and an investment professional of Steel Partners LLC since 1997. He has earned a Chartered Financial Analyst Designation in 2004.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE IN FAVOR OF EACH OF THE NAMED NOMINEES.

Director continuing in office until the 2012 Annual Meeting of Stockholders

G. Anthony Gorry, Ph.D. has served as a Director since January 1997. Since March 2001, Dr. Gorry has been the Friedkin Professor of Management and Professor of Computer Science at Rice University, where he also directs a pre- and postdoctoral training grant in biomedical informatics funded by the National Library of Medicine. He is also Adjunct Professor of Neuroscience at Baylor College of Medicine. He was previously a professor at the Massachusetts Institute of Technology, Vice President for Information Technology at Baylor College of Medicine and Vice President for Graduate Studies Research and Information Technology at Rice University. He is a member of the Institute of Medicine of the National Academy of Sciences.

Dr. Gorry was the founder and chairman of The ForeFront Group, Inc., a publicly traded software development company, until its acquisition by CBT Systems. He was also a director of AirLogix, Inc., a leader in respiratory disease management, until its acquisition by Centene Corporation. He has consulted with many businesses on the strategic use of information technology.

Dr. Gorry holds a B.Eng. from Yale University, an M.S. in chemical engineering from the University of California, Berkeley and a Ph.D. in computer science from the Massachusetts Institute of Technology.

Stockholder Communications with the Directors

Stockholders wishing to communicate with our Board as a whole or with certain directors, or the Chairman of the Board, individually, may do so by writing the Corporate Secretary at our headquarters at One Main Street, Suite 300, Cambridge, Massachusetts 02142. Each stockholder communication should include an indication of the submitting stockholder's status as our stockholder and eligibility to submit such communication. Each such communication will be received for handling by the Corporate Secretary, who will maintain originals of each communication received and provide copies to (i) the Chairman and (ii) any other appropriate committee(s) or director(s) based on the expressed desire of the communicating stockholder and content of the subject communication. The Corporate Secretary also will coordinate with the Chairman to facilitate a response, if it is believed that a response is appropriate or necessary, to each communication received. The Board reserves the right to revise this policy in the event that this process is abused, becomes unworkable or otherwise does not efficiently serve the purpose of the policy.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of March 28, 2011, information with respect to the outstanding shares of Common Stock, par value \$0.01 per share, beneficially owned by each person (including any "group" as that term is used in Section 13(d)(3) of the Exchange Act) known to Ore to be the beneficial owners of more than 5% of any class of Ore's voting securities, each director of Ore, the principal executive and principal financial officer of Ore and all persons then serving as directors and officers of Ore as a group. Unless otherwise indicated, the address of each individual beneficial owner listed in the following table is c/o Ore Pharmaceutical Holdings Inc., One Main Street, Suite 300, Cambridge, Massachusetts 02142. Except as otherwise indicated, all shares are owned directly.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Steel Partners, Ltd. 590 Madison Avenue, 32 nd Floor New York, New York 10022	3,568,000 ⁽²⁾	41.5%
Terry Gibson (3)	0	*
Jack Howard (3) (4) (5)	200,000	2.3%
Kenneth Kong (3) (5)	0	*
J. Stark Thompson, Ph.D. (5) (6)	83,400	*
G. Anthony Gorry, Ph.D. (5) (7)	70,400	*
All directors and executive officers as a group (five persons) (5) (8)	353,800	4.0

*Less than 1%.

- (1) For purposes of this table, a person is deemed to have “beneficial ownership” of any shares as of a given date (i) which such person has the right to acquire within 60 days after such date, (ii) over which such person has voting power or (iii) over which such person has investment power, including disposition power. For purposes of computing the percentage of outstanding shares held by each person named above on a given date, any security which such person has the right to acquire within 60 days after such date is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.
- (2) Consists of 3,568,000 shares directly owned based on a Schedule 13D filed on November 1, 2010 by SPL. Warren G. Lichtenstein is the Chief Executive Officer and sole director of SPL. By virtue of these relationships, Mr. Lichtenstein may be deemed to beneficially own the shares owned directly SPL.
- (3) As representatives of SPL, Messrs. Gibson, Howard and Kong may be deemed members of the SPL reporting group described in footnote 2 of this table.
- (4) Based on a Schedule 13D filed on November 1, 2010, consists of 200,000 shares held directly by EMH Howard LLC, a New York limited liability company (“EMH”). Mr. Howard is the President of SPL and the Managing Member of EMH. By virtue of this relationship, Mr. Howard may be deemed to beneficially own the shares owned by EMH.
- (5) Does not include 10,000 shares granted to each Director on April 8, 2011.
- (6) Includes 80,000 shares of Common Stock underlying presently exercisable options or options exercisable within 60 days.
- (7) Includes 64,000 shares of Common Stock underlying presently exercisable options or options exercisable within 60 days.
- (8) Does not include shares held by SPL.

Executive and Director Compensation

The services of Terry R. Gibson, our Chief Executive Officer, President and Chief Financial Officer, and Sandra Kearney, our Secretary, are provided to the Company pursuant to the Services Agreement. See “Related Party Transactions.”

Jack Howard, our Chairman of the Board, currently receives an annual retainer of \$40,000, and Kenneth Kong, G. Anthony Gorry and J. Stark Thompson currently receive an annual retainer of \$30,000. Each Director has also received 10,000 shares of Common Stock with immediate vesting. No other compensation is paid to our directors.

Related Party Transactions

Effective as of October 21, 2010, we entered into a Services Agreement (the “Services Agreement”) with SP Corporate Services, LLC (“SP Corporate Services”), an affiliate of SPL, the largest stockholder of the Company, pursuant to which SP Corporate Services provides the non-exclusive services of individuals to serve as the Chief Executive Officer, President and Chief Financial Officer of the Company, to provide corporate secretarial and accounting services to the Company, to manage the Company’s available cash and cash equivalents and to review the status of the Company’s net operating loss carryforwards. Terry R. Gibson serves as the Company’s Chief Executive Officer, President and Chief Financial Officer under the Services Agreement. Sandra Kearney serves as the Company’s Secretary under the Services Agreement. In consideration of the services provided by Mr. Gibson and Ms. Kearney, the Company currently pays SP Corporate Services a fixed monthly fee of \$20,000 per month, or \$240,000 per annum. The original term of the Services Agreement expires October 20, 2011 and automatically renews for successive one (1) year periods unless and until terminated by either party.

Jack L. Howard and Kenneth Kong are employed by an affiliate of SP Corporate Services and, accordingly, may be deemed to be interested in the transactions contemplated by the Services Agreement. This relationship has been fully disclosed to the Board and the Services Agreement with SP Corporate Services was ratified, confirmed and approved by the full Board, with Messrs. Howard and Kong abstaining as they, at the time, may have been deemed to be interested in the transaction.

Officers Who Are Not Also Directors

Terry R. Gibson, age 56. Mr. Gibson was appointed as President, Chief Executive Officer and Chief Financial Officer of Ore in October 2010. He served as President and Chief Executive Officer of BNS since May 2010 and as Chief Financial Officer of BNS since July 2007. He has served as a Managing Director of SP Corporate Services, an entity that provides executive, financial and administrative support services and personnel since July 2007. SP Corporate Services is an affiliate of SPII. Mr. Gibson currently serves as a director of Point Blank Solutions, Inc., a manufacturer of body armor systems. He has served as a director and Chief Executive Officer of CoSine since January 2005, as Executive Vice President and Chief Financial Officer since joining CoSine in January 2002 and as Secretary of CoSine since September 2004. Mr. Gibson served as Chief Financial Officer of Calient Networks, Inc., a communications equipment supplier, from May 2000 to December 2001. He served as Chief Financial Officer of Ramp Networks, Inc., a communications equipment supplier, from March 1999 to May 2000. He served as Chief Financial Officer of GaSonics, International, a semiconductor equipment manufacturer, from June 1996 to March 1999. He also served as Vice President and Corporate Controller of Lam Research Corporation, a semiconductor equipment manufacturer, from February 1991 to June 1996.

PROPOSAL NO. 2
AMENDMENT TO THE CERTIFICATE OF INCORPORATION
TO CHANGE THE COMPANY NAME TO ORE HOLDINGS, INC.

On April 8, 2011, our Board unanimously approved, subject to stockholder approval, an amendment to our Certificate of Incorporation to change the Company's name from "Ore Pharmaceutical Holdings Inc." to "Ore Holdings, Inc." At the Annual Meeting, stockholders will be asked to approve the proposed amendment to the Certificate of Incorporation to change the name of the Company. The Board intends that the Company operate as a holding company and maintain all operations at the Company's wholly-owned subsidiaries. The Board feels that the corporate name change to Ore Holdings, Inc. will better reflect the nature of the Company's business focus and corporate identity as a diversified holding company. The Board also believes that this adjustment will further promote the awareness of the Company's focus in the minds of industry participants, stockholders and the investment community.

The corporate name change will require an affirmative vote of a majority of the outstanding shares of the Company's outstanding Common Stock to amend the Certificate of Incorporation. If the stockholders approve this proposed amendment to the Certificate of Incorporation, the amendment will become effective upon the filing of the amendment with the Secretary of State of the State of Delaware. The proposed form of amendment to reflect the name change is attached as Annex A to this Proxy Statement.

The change of our name to "Ore Holdings, Inc." will not by itself affect in any way the validity of currently outstanding stock certificates or the trading of our securities. Our stockholders will not be required to surrender or exchange any of our stock certificates that they currently hold. Stockholders with certificated shares may continue to hold their existing certificates or receive new certificates reflecting the name change upon tendering the old certificates to our transfer agent.

PROPOSAL NO. 3
REVERSE/FORWARD STOCK SPLIT AND REDUCTION IN CAPITAL STOCK

Introduction

The Board of the Company has unanimously approved, subject to stockholder approval solicited hereby, a proposal to amend the Company's Certificate of Incorporation authorizing the Board, at its discretion, to amend the Certificate of Incorporation to effect a reverse stock split of the Common Stock by a ratio of up to 1-for-10,000 with the exact exchange ratio to be determined by the Board in its sole discretion (the "Reverse Split"), immediately followed by a forward stock split of the Company's Common Stock by a ratio of up to 10,000-for-1 (the "Forward Split," and together with the Reverse Split, the "Reverse/Forward Split"), with the exact exchange ratio to be determined by the Board in its sole discretion. Fractional shares would be treated as provided below and outstanding options to purchase Common Stock would be adjusted accordingly. The Reverse/Forward Split and Reduction in Capital Stock would become effective upon the filing with the Secretary of State of the State of Delaware of amendments to the Company's Certificate of Incorporation. It is the current intention of the Board, although there can be no assurance, that the Forward Split will have the exact inverse exchange ratio as the Reverse Split.

Principal Effects of the Reverse/Forward Split and Reduction in Capital Stock

The proposed forms of amendment to our Certificate of Incorporation to reflect the reverse/forward stock split are attached as Annexes B and C to this Proxy Statement. The par value of our Common Stock at \$0.01 per share would remain unchanged.

If our Board elects to implement the Reverse/Forward Split, then stockholders holding a number of shares of our Common Stock that is less than the number of shares utilized in the reverse exchange ratio would be entitled to receive a cash payment for all of such stockholder's shares by virtue of the Reverse Split (the "Cashed Out Stockholders"). Following the Reverse Split, the shares of all stockholders who are not Cashed Out Stockholders, as well as the treasury shares, will participate in the Forward Split. All fractional shares remaining following the Forward Split (other than those attributable to treasury shares) will be entitled to receive a cash payment in lieu of such fractional shares. In each of the above cases, the amount of the cash payment that a stockholder would be entitled to receive will be determined in the manner set forth below under "Payment for Fractional Shares".

If the Board elects to implement the Reverse/Forward Split, we will file notice with the Financial Industry Regulatory Authority or "FINRA".

Purposes for the Proposed Reverse/Forward Split

The Reverse/Forward Split would benefit the Company and our stockholders by reducing the Company's administrative burdens and costs by cashing out smaller stockholders. The cost of administering each stockholder's account and the amount of time spent by our management in responding to stockholder requests is the same regardless of the number of shares held in the account. Accordingly, our cost of maintaining many small accounts is disproportionately high when compared with the total number of shares involved. In view of the disproportionate cost to us of maintaining small stockholder accounts, we believe that it would be beneficial to us and our stockholders as a whole to eliminate the administrative burden and cost associated with these smaller accounts.

The Board believes that stockholder approval of the proposal granting the Board discretion to set the actual exchange ratios within the described ranges, rather than stockholder approval of a specified exchange ratio, provides it with maximum flexibility to react to market conditions.

Additionally, the Reverse/Forward Split will enable holders of smaller numbers of our shares of Common Stock to dispose of their investment without paying brokerage fees on the transactions.

Our Board intends to implement the Reverse/Forward Split if it believes that this action is in the best interests of Ore and our stockholders. If our Board ultimately determines to effect the Reverse/Forward Split, the Board will determine the exact ratios within the approved exchange ratios that it believes will result in the greatest marketability of our Common Stock based on prevailing market conditions. No further action on the part of our stockholders would be required to either effect or abandon the Reverse/Forward Split. Notwithstanding approval of any of the proposed exchange ratios by our stockholders, our Board may, in its sole discretion, determine to delay the effectiveness of the Reverse/Forward Split.

Certain Risks Associated with the Reverse/Forward Split

Our total market capitalization immediately after the proposed Reverse/Forward Split may be lower than immediately before the proposed Reverse/Forward Split. There are numerous factors and contingencies that could affect our stock price following the proposed Reverse/Forward Split, including the status of the market for our Common Stock at the time, our reported results of operations in future periods, and general economic, market and industry conditions. If the market price of our Common Stock declines after the Reverse/Forward Split, our total market capitalization (the aggregate value of all of our outstanding Common Stock at the then existing market price) after the Reverse/Forward Split will be lower than before the Reverse/Forward Split.

The Reverse/Forward Split may result in some stockholders owning “odd lots” that may be more difficult to sell or require greater transaction costs per share to sell. The Reverse/Forward Split may result in some stockholders owning “odd lots” of less than 100 shares of our Common Stock on a post-split basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell than shares in “round lots” of even multiples of 100 shares.

Potential Effects of the Proposed Reverse/Forward Split

Effects on Ore. The immediate effect of a Reverse/Forward Split would be to reduce the number of shares of our outstanding Common Stock, and shares of Common Stock held in our treasury. We cannot assure you that a Reverse/Forward Split would lead to a sustained increase in the trading price of our Common Stock. The trading price of our Common Stock may change due to a variety of other factors, including our operating results and other factors related to our business and general market conditions.

Effects on Ownership by Individual Stockholders. If we implement the Reverse/Forward Split, the Reverse Split and Forward Split will take effect nearly simultaneously and in the same ratio for all outstanding shares of our Common Stock. The Reverse/Forward Split will affect all holders of our Common Stock uniformly and will not affect any stockholder’s percentage ownership interest in us, except to the extent that stockholders are Cashed Out Stockholders or will otherwise hold fractional shares following the Reverse/Forward Split. As described below under “Payment for Fractional Shares,” Cashed Out Stockholders and stockholders that would otherwise receive fractional shares following the Reverse/Forward Split will be entitled to a cash payment in lieu of such fractional shares held by such stockholders following the Reverse/Forward Split. The cash payments will reduce the number of post-Reverse/Forward Split holders of our Common Stock to the extent there are stockholders who would

otherwise receive less than one share of Common Stock after the Reverse/Forward Split. In addition, the Reverse/Forward Split will not affect any remaining stockholder's proportionate voting power (subject to the payment for fractional shares).

Effect on Options. If we implement the Reverse/Forward Split, the terms of our outstanding options would be adjusted as a result of such action, as required by the terms of these securities. In particular, the exercise price would be adjusted, in accordance with the terms of each instrument based on the exchange ratios used in the Reverse/Forward Split. Also, the number of shares reserved for future issuance under our existing stock option plans would be reduced proportionally based on the exchange ratios utilized in the Reverse/Forward Split. None of the rights currently accruing to holders of our options would be affected by the Reverse/Forward Split.

Other Effects on Outstanding Shares. If we implement the Reverse/Forward Split, the rights and preferences of the outstanding shares of our Common Stock would remain the same after the Reverse/Forward Split. Each share of our Common Stock issued pursuant to the Reverse/Forward Split would be fully paid and nonassessable.

Authorized Shares of Common Stock. The Reverse/Forward Split, if implemented, would also change the number of authorized shares of our Common Stock as designated by our Certificate of Incorporation. Therefore, because the number of issued and outstanding shares of Common Stock would decrease, the number of shares remaining available for issuance under our authorized pool of Common Stock would decrease.

Procedure for Effecting the Proposed Reverse/Forward Split and Exchange of Stock Certificates

If our stockholders approve the Reverse/Forward Split, our Board may elect whether or not to implement the Reverse/Forward Split, and the exchange ratios to utilize. The Reverse/Forward Split would be implemented by filing amendments to our Certificate of Incorporation with the Delaware Secretary of State, and the Reverse/Forward Split would become effective on the date that both filings are accepted by the Delaware Secretary of State.

As of the effective date of the Reverse/Forward Split, each certificate representing shares of our Common Stock outstanding before the Reverse/Forward Split would be deemed, for all corporate purposes, to evidence ownership of the reduced number of shares of our Common Stock resulting from the Reverse/Forward Split plus the right to receive a cash payment for any fractional shares outstanding, if any, or the right to receive a cash payment with respect to a Cashed Out Stockholder. All shares, underlying options and other securities would also be automatically adjusted on the effective date.

Our transfer agent would act as the exchange agent for purposes of implementing the exchange of stock certificates and distribution of cash for Cashed Out Stockholders and any fractional shares of other stockholders. As soon as practicable after the effective date, stockholders and holders of securities convertible into our Common Stock would be notified of the effectiveness of the Reverse/Forward Split. Stockholders of record would receive a letter of transmittal requesting them to surrender their stock certificates for stock certificates reflecting the adjusted number of shares as a result of the Reverse/Forward Split, or in the case of Cashed Out Stockholders or other stockholders that would otherwise receive fractional shares, a cash payment for such fractional shares. Persons who hold their shares in brokerage accounts or "street name" would not be required to take any further actions to effect the exchange. No new certificates or cash payment would be issued to a stockholder until the stockholder has surrendered the stockholder's outstanding certificate(s) together with the properly completed and executed letter of transmittal to the exchange agent. Until surrender, each certificate representing shares before the Reverse/Forward Split would continue to be valid and would represent the adjusted number of

shares based on the exchange ratios utilized in the Reverse/Forward Split, rounded down to the nearest whole share and any fractional shares would be paid in cash as discussed further below.

STOCKHOLDERS SHOULD NOT DESTROY ANY STOCK CERTIFICATE AND SHOULD NOT SUBMIT ANY CERTIFICATES UNTIL THEY RECEIVE A LETTER OF TRANSMITTAL.

Fractional Shares

No fractional shares of our Common Stock will be issued as a result of the implementation of the Reverse/Forward Split. Instead, our transfer agent will aggregate all fractional shares of Cashed Out Stockholders and any fractional shares of remaining stockholders after the Reverse/Forward Split and sell them as soon as practicable after the effective time at the then prevailing prices on the open market, on behalf of those stockholders who would otherwise be entitled to receive a fractional share. We expect that the transfer agent will conduct the sale in an orderly fashion at a reasonable pace and that it may take at least several days to sell all of the aggregated fractional shares of our Common Stock. After the transfer agent's completion of such sale, stockholders will receive a cash payment from the transfer agent in an amount equal to their respective pro rata shares of the total net proceeds of that sale.

No transaction costs will be assessed on stockholders for the cash payment. Stockholders will not be entitled to receive interest for the period of time between the effective time of the Reverse/Forward Split and the date payment is made for their fractional share interest in our Common Stock. You should also be aware that, under the escheat laws of certain jurisdictions, sums due for fractional interests that are not timely claimed after the funds are made available may be required to be paid to the designated agent for each such jurisdiction. Thereafter, stockholders otherwise entitled to receive such funds may have to obtain the funds directly from the state to which they were paid.

No Appraisal Rights

No appraisal rights are available under the Delaware General Corporation Law or under our Certificate of Incorporation or bylaws to any stockholder who dissents from this proposal. There may exist other rights or actions under state law for stockholders who are aggrieved by stock splits generally.

Accounting Consequences

The par value of our Common Stock would remain unchanged at \$0.01 per share after the Reverse/Forward Split. Also, our capital account would remain unchanged, and we do not anticipate that any other accounting consequences would arise as a result of the Reverse/Forward Split.

Federal Income Tax Consequences

The following is a summary of certain material federal income tax consequences of the Reverse/Forward Split; however, this does not purport to be a complete discussion of all of the possible federal income tax consequences of the Reverse/Forward Split. It does not discuss any state, local, foreign or minimum income or other U.S. federal tax consequences. Also, it does not address the tax consequences to stockholders who are subject to special tax rules, such as banks, insurance companies, regulated investment companies, personal holding companies, foreign entities, nonresident alien individuals, broker-dealers and tax-exempt entities. This discussion is based on the provisions of the United States federal income tax law as of the date hereof, which is subject to change retroactively as well as prospectively. This summary also assumes that the pre-split shares were, and the post-split shares will be, held as capital assets, as defined in the Internal Revenue Code of 1986, as amended (the "Code") (generally, property held for investment). Tax treatment may vary depending upon particular facts and circumstances. Accordingly, each stockholder should consult with his or her own tax advisor concerning

the effects of the Reverse/Forward Split and, in particular, the manner in which the tax basis and holding period of the stockholder's post-split shares will be determined.

Each stockholder should recognize no gain or loss upon the exchange of pre-split shares for post-split shares pursuant to the Reverse/Forward Split. In general, the receipt of cash by a stockholder instead of a fractional share will result in a taxable gain or loss to such stockholders. The amount of the taxable gain or loss to a stockholder will be determined based upon the difference between the amount of cash received by such stockholder and the portion of the basis of the pre-Reverse/Forward Split of our Common Stock allocable to such fractional interest. The gain or loss recognized will constitute capital gain or loss and will constitute long-term capital gain or loss if the stockholder's holding period is greater than one year as of the effective time of the Reverse/Forward Split. There are limitations on the deductibility of capital losses under the Code.

The aggregate tax basis of the post-split shares received in the Reverse/Forward Split (including any fraction of a post-split share deemed to have been received) will be the same as the aggregate tax basis in the pre-split shares exchanged. The holding period for the post-split shares will include the period during which the pre-split shares surrendered in the Reverse/Forward Split were held.

The Company believes that the Reverse/Forward Split will qualify as a recapitalization under Section 368(a)(1)(E) of the Code. As a result, the Company will not recognize any gain or loss as a result of the Reverse/Forward Split.

NOL Implications

The Company has experienced substantial operating and capital losses in previous years. Under the Code and the Treasury Department regulations thereunder, the Company may "carry forward" these losses in certain circumstances to offset current and future earnings and thus reduce its federal income tax liability, subject to certain requirements and restrictions. Assuming that the Company has future earnings, the Company may be able to realize the benefits of a substantial amount of net operating loss carryforwards ("NOLs") and capital loss carryforwards and the Company believes these NOLs and capital loss carryforwards constitute a substantial asset to the Company. If the Company experiences an "ownership change," as defined in Section 382 of the Code, its ability to use the NOLs and capital loss carryforwards could be substantially limited or lost altogether.

As a result of the cancellation of the shares of Common Stock held by the Cashed Out Stockholders that will likely occur as a result of the Reverse/Forward Split, each of the Continuing Stockholders will experience an increase in their proportionate interest in the Common Stock. However, the Reverse/Forward Split is not expected to trigger an "ownership change" as defined in Section 382 of the Code and, therefore, is not expected to adversely impact the Company's ability to utilize its NOLs.

The Company's Certificate of Incorporation currently contains transfer restrictions intended to preserve stockholder value by protecting the Company's ability to realize the benefits of its NOLs and capital loss carryforwards (the "Charter Restrictions"). The Charter Restrictions generally provide that, without the authorization of the Board, no person other than the Company may engage in any transfer of Common Stock with any other person to the extent that such transfer would affect the percentage of Common Stock that is treated as owned by a five percent stockholder (as defined in the Code). Each of the Continuing Stockholders should be mindful that any increase in his or her percentage ownership of the Common Stock to 5% or above resulting from the Reverse/Forward Split (or otherwise) will impact his or her ability to own additional shares of Common Stock under the Charter Restrictions.

Required Vote and Board Recommendation

The affirmative vote of a majority of our shares of Common Stock outstanding on the record date is required to approve the proposal giving our Board the authority to effect, in its discretion prior to our 2012 Annual Meeting of Stockholders, the Reverse/Forward Split at exchange ratios determined in the Board's sole discretion. If you hold your shares in your own name and indicate that you wish to abstain from voting on this matter, your shares will be counted as present for purposes of determining the presence of a quorum and your abstention will have the same effect as a vote against this proposal. If you hold your shares through a broker and you do not instruct the broker on how to vote on this proposal, your broker will not have the authority to vote your shares. Broker non-votes will be counted as present for purposes of determining the presence of a quorum and will have the same effect as a vote against this proposal.

STOCKHOLDER PROPOSALS AND OTHER MATTERS

Solicitation of Proxies

The cost of the solicitation of proxies will be paid by us. In addition to solicitation by mail, our directors, officers and employees may solicit proxies from stockholders by telephone, facsimile, electronic mail or in person. We will also make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners. Upon request, we will reimburse those brokerage houses and custodians for their reasonable expenses in so doing.

Other Matters

So far as now known, there is no business other than that described above to be presented for action by the stockholders at the Meeting, but it is intended that the proxies will be voted upon any other matters and proposals that may legally come before the Meeting or any adjournment thereof, in accordance with the discretion of the persons named therein.

ORE PHARMACEUTICAL HOLDINGS INC.



Terry Gibson
President, Chief Executive Officer and Chief
Financial Officer

ANNEX A
FORM OF CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
ORE PHARMACEUTICAL HOLDINGS INC.

Under Section 242 of the Delaware General Corporation Law

It is hereby certified that:

The name of the corporation is Ore Pharmaceutical Holdings Inc. (the "Corporation").

The Certificate of Incorporation of the Corporation is hereby amended by replacing of Article I thereof with the following:

"I.

The name of this corporation is ORE HOLDINGS, INC."

The foregoing amendment shall be effective as of 6:00 p.m. Eastern Time on [____], 2011.

The amendment of the Certificate of Incorporation herein certified has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware and by the affirmative vote of the holders of not less than a majority of the capital stock of the Corporation at a meeting duly noticed and conducted in accordance with the Bylaws of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of Certificate of Incorporation to be executed on this [___] day of [_____], 2011.

ORE PHARMACEUTICAL HOLDINGS INC.

By: _____
Name:
Title:

ANNEX B

This amendment assumes for illustrative purposes only, an exchange ratio of 1-for-10,000 for the reverse split, which will be followed by a forward split with an exchange ratio of 10,000-for-1 in a subsequent amendment.

FORM OF CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
ORE HOLDINGS, INC.

Under Section 242 of the Delaware General Corporation Law

It is hereby certified that:

The name of the corporation is Ore Holdings, Inc. (the "Corporation").

The Certificate of Incorporation of the Corporation is hereby amended by replacing the first paragraph of Article IV, Section A thereof with the following:

“1. This corporation is authorized to issue two classes of stock to be designated, respectively, “Common Stock” and “Preferred Stock”. The total number of shares which the Corporation is authorized to issue is Seventeen Million (17,000,000) shares. Fifteen Million (15,000,000) shares shall be common stock, each having a par value of one cent (\$.01). Two Million (2,000,000) shares shall be Preferred Stock, each having par value of one cent (\$.01).

2. Effective as of the effectiveness of the amendment to this Certificate of Incorporation amending and restating this Part A to ARTICLE IV (this “Amendment”) and without regard to any other provision of this Certificate of Incorporation, each ten thousand (10,000) shares of Common Stock, either issued or outstanding or held by the Corporation as treasury stock, immediately prior to the time this Amendment becomes effective shall be and is hereby automatically reclassified and changed (without any further act) into one share of a fully paid and nonassessable share of Common Stock without increasing or decreasing the amount of stated capital or paid-in surplus of the Corporation, provided that no fractional shares shall be issued to any stockholder of record of fewer than 10,000 shares of Common Stock immediately prior to the time this Amendment becomes effective, and that instead of issuing such fractional shares to such holders, the Corporation’s transfer agent shall aggregate all such fractional shares and sell them as soon as practicable after the effective time of this Amendment at the then prevailing prices on the open market, on behalf of those stockholders

who would otherwise be entitled to receive a fractional share. After the transfer agent's completion of such sale, stockholders shall receive a cash payment from the transfer agent in an amount equal to their respective pro rata shares of the total net proceeds of that sale."

The foregoing amendment shall be effective as of 6:00 p.m. Eastern Time on [____], 2011.

The amendment of the Certificate of Incorporation herein certified has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware and by the affirmative vote of the holders of a majority of the capital stock of the Corporation at a meeting duly noticed and conducted in accordance with the Bylaws of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of Certificate of Incorporation to be executed on this [___] day of [_____], 2011.

ORE HOLDINGS, INC.

By:

Name:

Title:

ANNEX C

This amendment assumes an exchange ratio of 10,000-for-1 for the forward split for illustrative purposes only.

FORM OF CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
ORE HOLDINGS, INC.

Under Section 242 of the Delaware General Corporation Law

It is hereby certified that:

The name of the corporation is Ore Holdings, Inc. (the "Corporation").

The Certificate of Incorporation of the Corporation is hereby amended as follows:

1. By adding the following paragraph immediately after Article IV, Section A(2):

“3. Effective as of the effectiveness of the amendment to this Certificate of Incorporation adding Section 3 to ARTICLE IV, Section A (this “Amendment”) and without regard to any other provision of this Certificate of Incorporation, each share of Common Stock, either issued or outstanding or held by the Corporation as treasury stock immediately prior to the effectiveness of this Amendment, and any fractional share of Common Stock held by a stockholder who holds in excess of one (1) share of Common Stock immediately prior to the time this Amendment becomes effective shall and is hereby automatically reclassified and changed (without any further act) into ten thousand (10,000) fully-paid and nonassessable shares of Common Stock (or, with respect to fractional shares of Common Stock, such lesser number of shares of Common Stock and fractional shares as may be applicable based upon such 10,000 for 1 ratio), without increasing or decreasing the amount of stated capital or paid-in surplus of the Corporation, provided that no fractional shares of Common Stock shall be issued to any stockholder of record immediately following the time this Amendment becomes effective, and that instead of issuing such fractional shares to such holders, the Corporation’s transfer agent shall aggregate all such fractional shares and sell them as soon as practicable after the effectiveness of this Amendment at the then prevailing prices on the open market, on behalf of those stockholders who would otherwise be entitled to receive a fractional share. After the transfer agent’s completion of such sale, stockholders shall receive a cash payment

from the transfer agent in an amount equal to their respective pro rata shares of the total net proceeds of that sale.”

The foregoing amendment shall be effective as of 6:01 p.m. Eastern Time on [____], 2011.

The amendment of the Certificate of Incorporation herein certified has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware and by the affirmative vote of the holders of a majority of the capital stock of the Corporation at a meeting duly noticed and conducted in accordance with the Bylaws of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of Certificate of Incorporation to be executed on this [___] day of [_____], 2011.

ORE HOLDINGS, INC.

By:

Name:

Title: