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

FORM 10-Q

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2022.

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____.

Commission File Number 001-40023

GT BIOPHARMA, INC.
(Exact name of registrant as specified in its charter)

Delaware	**94-1620407**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

8000 Marina Blvd, Suite 100
Brisbane, CA 94005
(Address of principal executive offices and zip code)

415-919-4040
(Registrant's telephone number, including area code)

N/A

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of exchange on which registered
Common Stock, $0.001 par value per share	GTBP	Nasdaq

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☒
Emerging growth company ☐

Accelerated filer ☐
Smaller reporting company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 16, 2022, the issuer had30,500,717 shares of common stock outstanding.

GT Biopharma, Inc. and Subsidiaries
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GT BIOPHARMA, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except shares and par value)

	March 31, 2022 (Unaudited)	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 7,286	$ 8,968
Short-term investments	19,454	23,011
Prepaid expenses and other current assets	453	190
Total current assets	27,193	32,169
Operating lease right-of-use asset	237	-
Deposits	9	-
TOTAL ASSETS	$ 27,439	$ 32,169
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 8,113	$ 8,220
Accrued expenses	1,170	1,901
Current operating lease liability	100	-
Derivative liability	120	138
Total current liabilities	9,503	10,259
Non-current operating lease liability	147	-
Total liabilities	9,650	10,259
Stockholders' equity		
Convertible Preferred stock, par value $0.01, 15,000,000 shares authorized		
Series C – 96,230 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	1	1
Common stock, par value $0.001, 750,000,000 shares authorized, 32,345,717 shares and 32,061,989 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	32	32
Common stock issuable 0 shares and 327,298 shares at March 31, 2022 and December 31, 2021, respectively	-	1,113
Additional paid in capital	676,780	674,348
Accumulated deficit	(659,024)	(653,584)
Total stockholders' equity	17,789	21,910
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 27,439	$ 32,169

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

GT BIOPHARMA, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	For the three months ended March 31,	
	2022 (unaudited)	2021 (unaudited)
Revenues	$ -	$ -
Operating Expenses:		
Research and development	2,087	1,640
Selling, general and administrative (including $447 and $14,296 expense from stock compensation granted to officers, employees and directors during the three months ended March 31, 2022 and 2021, respectively)	3,355	27,362
Loss from Operations	5,442	29,002
Other (Income) Expense		
Interest income	(8)	-
Interest expense	-	696
Change in fair value of derivative liability	(18)	(21)
Unrealized loss on marketable securities	24	-
Total Other (Income) Expense	(2)	675
Net Loss	$ (5,440)	$ (29,677)

Net loss per share - basic and diluted	$ (0.17)	$ (1.83)
Weighted average common shares outstanding - basic and diluted	32,486,116	16,239,938

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

GT BIOPHARMA, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(in thousands)

For The Three Months Ended March 31, 2022 (Unaudited)

	Preferred Shares		Common Shares		Common Shares Issuable		Additional Paid in	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance, December 31, 2021	96	$ 1	32,062	$ 32	327	$ 1,113	$ 674,348	$ (653,584)	$ 21,910
Cancellation of common stock	-	-	(291)	-	-	-	-	-	-
Issuance of common shares for common shares issuable	-	-	327	-	(327)	(1,113)	1,113	-	-
Issuance of common shares as equity compensation to officers, employees, and board of directors	-	-	85	-	-	-	447	-	447
Issuance of common shares for services	-	-	163	-	-	-	872	-	872
Net loss	-	-	-	-	-	-		(5,440)	(5,440)
Balance, March 31, 2022	96	$ 1	32,346	$ 32	-	$ -	$ 676,780	$ (659,024)	$ 17,789

For The Three Months Ended March 31, 2021 (Unaudited)

	Preferred Shares		Common Shares		Common Shares Issuable		Additional Paid in	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance, December 31, 2020	2,450	3	5,218	5	-	-	566,356	(595,797)	(29,433)
Extinguishment of debt discount upon adoption of ASU 2020-06	-	-	-	-	-	-	(4,745)	226	(4,519)
Conversion of Preferred Series J-1 to common stock	(2,354)	(2)	692	1	-	-	1	-	-
Common shares issued upon mandatory conversion of notes payable and accrued interest	-	-	3,779	4	7,634	25,956	12,846	-	38,806
Common shares issued upon exercise of warrants	-	-	95	-	-	-	58	-	58
Issuance of common stock in public offering, net of cost	-	-	4,945	5	-	-	24,674	-	24,679
Issuance of common stock for research and development agreement	-	-	190	-	-	-	1,355	-	1,355
Issuance of common stock for services	-	-	1,957	2	-	-	8,450	-	8,452
Equity compensation to officers and board of directors	-	-	3,641	4	-	-	14,292	-	14,296
Net loss	-	-	-	-	-	-	-	(29,677)	(29,677)
Balance, March 31, 2021	**96**	**$ 1**	**20,517**	**$ 21**	**7,634**	**$ 25,956**	**$ 623,287**	**$ (625,248)**	**$ 24,017**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

GT BIOPHARMA, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	For the three months ended March 31,	
	2022	2021
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (5,440)	$ (29,677)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Stock based compensation for services	872	9,807
Stock based compensation to officers, employees and board of directors	447	14,296
Convertible notes payable issued for consulting services	-	720
Change in fair value of derivative liability	(18)	(21)
Change in operating lease right-of-use assets	23	-
Unrealized loss on marketable securities	24	-
Changes in operating assets and liabilities:		
(Increase) decrease in prepaid expenses	(263)	276
Increase in deposits	(9)	-
Increase (decrease) in accounts payable and accrued expenses	(838)	219
(Decrease) in operating lease liability	(13)	-
Increase in accrued interest	-	696
Net Cash (Used in) Operating Activities	(5,215)	(3,684)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	3,533	-
Net Cash Provided by Investing Activities	3,533	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock	-	24,679
Proceeds from exercise of warrants	-	58
Proceeds from issuance of notes payable	-	1,205
Net Cash Provided by Financing Activities	-	25,942
Net Increase (Decrease) in Cash	(1,682)	22,258
Cash at Beginning of Period	8,968	5,297
Cash at End of Period	$ 7,286	$ 27,555
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ -	$ -
Income taxes	$ -	$ -
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Right-of-use assets and lease liabilities recognized pursuant to lease agreement	$ 260	$ -
Extinguishment of unamortized debt discount and adjustment to accumulated deficit upon adoption of ASU 2020-06	$ -	$ 4,519
Common stock issued upon conversion of notes payable and accrued interest	$ -	$ 38,806
Convertible notes payable issued for accrued expenses	$ -	$ 1,525

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

GT BIOPHARMA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2022 and 2021
(Unaudited)

Note 1 – Organization and Operations

In 1965, the corporate predecessor of GT Biopharma Inc. (Company), Diagnostic Data, Inc. was incorporated in the State of California. Diagnostic Data changed its incorporation to the State of Delaware in 1972 and changed its name to DDI Pharmaceuticals, Inc. in 1985. In 1994, DDI Pharmaceuticals merged with International BioClinical, Inc. and Bioxytech S.A. and changed its name to OXIS International, Inc. In July 2017, the Company changed its name to GT Biopharma, Inc.

The Company is a clinical stage biopharmaceutical company focused on the development and commercialization of novel immuno-oncology products based on our proprietary Tri-specific Killer Engager (TriKE®) fusion protein immune cell engager technology platform. The Company's TriKE® platform generates proprietary therapeutics designed to harness and enhance the cancer killing abilities of a patient's own natural killer cells, or NK cells. Once bound to an NK cell, our moieties are designed to enhance the NK cell, and precisely direct it to one or more specifically targeted proteins expressed on a specific type of cancer cell or virus infected cell, resulting in the targeted cell's death. TriKE®s can be designed to target any number of tumor antigens on hematologic malignancies or solid tumors and do not require patient-specific customization.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Oxis Biotech, Inc. and Georgetown Translational Pharmaceuticals, Inc. All intercompany transactions and balances have been eliminated in consolidation.

The accompanying condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange

Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 filed with the SEC on March 28, 2022 (the "2021 Annual Report"). The consolidated balance sheet as of December 31, 2021 included herein was derived from the audited consolidated financial statements as of that date.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to fairly present the Company's financial position and results of operations for the interim periods reflected. Except as noted, all adjustments contained herein are of a normal recurring nature. Results of operations for the fiscal periods presented herein are not necessarily indicative of fiscal year-end results.

Liquidity

The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. Such assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. For the quarter ended March 31, 2022, the Company recorded a net loss of $5.4 million and used cash in operations of $5.2 million. As of March 31, 2022, the Company had a cash and short-term investments balance of $26.7 million, working capital of $17.7 million and stockholders' equity of $17.8 million. Management anticipates that the $26.7 million of cash and cash equivalents, and short-term investments are adequate to satisfy the liquidity needs of the Company for at least one year from the date the Company's condensed consolidated financial statements for the quarter ended March 31, 2022 were issued.

Historically, the Company has financed its operations through public and private sales of common stock, issuance of preferred and common stock, issuance of convertible debt instruments, and strategic collaborations.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, customers, economies, and financial markets globally. It has also disrupted the normal operations of many businesses. This outbreak could adversely affect the Company's operations.

While the pandemic has impacted the Company's operations, during the three months ended March 31, 2022, the Company believes the COVID-19 pandemic had limited impact on its operating results. The Company has not observed any impairments of its assets or a significant change in the fair value of its assets due to the COVID-19 pandemic. At this time, it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations, financial condition, or liquidity.

The Company has been following the recommendations of health authorities to minimize exposure risk for its team members, including having team members work remotely. Most vendors have transitioned to electronic submission of invoices and payments.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include accruals for potential liabilities, assumptions used in deriving the fair value of derivative liabilities, valuation of equity instruments issued for services and realization of deferred tax assets. Actual results could differ from those estimates.

Cash Equivalents and Short-Term Investments

The Company considers highly liquid investments with maturities of three months or less at the date of acquisition as cash equivalents in the accompanying condensed consolidated financial statements. As of March 31, 2022 total cash and cash equivalents, which consist of cash and money market funds, amounted to approximately $7.3 million.

The Company also invested its excess cash in commercial paper and corporate notes and bonds. Management generally determines the appropriate classification of its investments at the time of purchase. We classify these investments as short-term investments, as part of current assets, based upon our ability and intent to use any and all of these investments as necessary to satisfy liquidity requirements that may arise from our businesses. Investments are carried at fair value with the unrealized holding gains and losses reported in the accompanying condensed consolidated statements of operations. As of March 31, 2022 total short-term investments amounted to approximately $19.5 million.

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820-10 requires entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized on the balance sheet for which it is practicable to estimate fair value. ASC 820-10 defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

The three levels of the fair value hierarchy are as follows:

Level 1	Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.
Level 2	Valuations based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.
Level 3	Valuations based on inputs that are unobservable, supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amount of the Company's derivative liability of $120,000 at March 31, 2022 and $138,000 at December 31, 2021 was based on Level 2 measurements.

The carrying amounts of the Company's other financial assets and liabilities, such as cash, prepaid expense, accounts payable and accrued expenses approximate their fair values because of the short maturity of these instruments.

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the consolidated statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on

whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date. The fair value of the embedded derivatives is determined using a Binomial valuation method at inception and on subsequent valuation dates.

Stock-Based Compensation

The Company accounts for share-based awards to employees, nonemployees and consultants in accordance with the provisions of ASC 718,*Compensation-Stock Compensation*. Stock-based compensation cost is measured at fair value on the grant date and that fair value is recognized as expense over the requisite service, or vesting period.

The Company values its equity awards using the Black-Scholes option pricing model, and accounts for forfeitures when they occur. Use of the Black-Scholes option pricing model requires the input of subjective assumptions including expected volatility, expected term, and a risk-free interest rate. The Company estimates volatility using a its own historical stock price volatility. The expected term of the instrument is estimated by using the simplified method to estimate expected term. The risk-free interest rate is estimated using comparable published federal funds rates.

Research and Development Costs

Costs incurred for research and development are expensed as incurred. The salaries, benefits, and overhead costs of personnel conducting research and development of the Company's products are included in research and development expenses. Purchased materials that do not have an alternative future use are also expensed.

Leases

The Company accounts for its leases in accordance with Accounting Standards Update ("ASU") No. 2016-02,*Leases* (Topic 842) ("ASC 842"). ASC 842 requires lessees to (i) recognize a right of use asset ("ROU asset") and a lease liability that is measured at the present value of the remaining lease payments, on the consolidated balance sheets, (ii) recognize a single lease cost, calculated over the lease term on a straight-line basis and (iii) classify lease related cash payments within operating and financing activities. The Company has made an accounting policy election to not recognize short-term leases on the consolidated balance sheets and all non-lease components, such as common area maintenance, were excluded. At any given time during the lease term, the lease liability represents the present value of the remaining lease payments, and the ROU asset is measured as the amount of the lease liability, adjusted for pre-paid rent, unamortized initial direct costs, and the remaining balance of lease incentives received. Both the lease ROU asset and liability are reduced to zero at the end of the lease term.

The Company leases office space and equipment. At the lease inception date, the Company determines if an arrangement is, or contains a lease. Some of the Company's leases include options to renew at similar terms. The Company assesses these options to determine if the Company is reasonably certain of exercising these options based on relevant economic and financial factors. Options that meet these criteria are included in the lease term at the lease commencement date

During the period ended March 31, 2022, the Company executed lease agreements for its office space and equipment and as a result, recorded operating lease right-of-use assets and the related lease liabilities of $260,000 pursuant to ASC 842, *Leases* (see Note 8).

Net Earnings (Loss) Per Share

Basic earnings (loss) per share is computed using the weighted-average number of common shares outstanding during the period. Common stock issuable is included in our calculation as of the date of the underlying agreement. Diluted earnings (loss) per share is computed using the weighted-average number of common shares and the dilutive effect of contingent shares outstanding during the period. Potentially dilutive contingent shares, which primarily consist of convertible notes, stock issuable for the exercise of stock options and warrants have been excluded from the diluted loss per share calculation because their effect is anti-dilutive.

These following common stock equivalents were excluded in the computation of the net loss per share because their effect is anti-dilutive:

	March 31 2022 (Unaudited)	**March 31 2021 (Unaudited)**
Options to purchase common stock	302,500	-
Warrants to purchase common stock	2,337,274	5,319
Unvested restricted common stock	681,270	1.596,659
Total anti-dilutive securities	3,321,044	1,601,978

Concentration

Cash is deposited in one financial institution. The balances held at this financial institution at times may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits of up to $250,000.

The Company has a significant concentration of expenses incurred and accounts payable from a single vendor. Please see Note 4 for further information.

Segments

The Company determined its reporting units in accordance with ASC 280, "Segment Reporting" ("ASC 280"). Management evaluates a reporting unit by first identifying its' operating segments under ASC 280. The Company then evaluates each operating segment to determine if it includes one or more components that constitute a business. If there are components within an operating segment that meet the definition of a business, the Company evaluates those components to determine if they must be aggregated into one or more reporting units. If applicable, when determining if it is appropriate to aggregate different operating segments, the Company determines if the segments are economically similar and, if so, the operating segments are aggregated.

Management has determined that the Company has one operating segment. The Company's reporting segment reflects the manner in which its chief operating decision maker reviews results and allocates resources. The Company's reporting segment meets the definition of an operating segment and does not include the aggregation of multiple operating segments.

Recent Accounting Pronouncements

In May 2021, the FASB issued ASU 2021-04,*Earnings Per Share (Topic 260), Debt-Modifications and Extinguishments (Subtopic 470-50), Compensation-Stock Compensation (Topic 718), and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options*. ASU 2021-04 provides clarification and reduces diversity in an issuer's accounting for modifications or exchanges of

freestanding equity-classified written call options (such as warrants) that remain equity classified after modification or exchange. An issuer measures the effect of a modification or exchange as the difference between the fair value of the modified or exchanged warrant and the fair value of that warrant immediately before modification or exchange. ASU 2021-04 introduces a recognition model that comprises four categories of transactions and the corresponding accounting treatment for each category (equity issuance, debt origination, debt modification, and modifications unrelated to equity issuance and debt origination or modification). ASU 2021-04 is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. An entity should apply the guidance provided in ASU 2021-04 prospectively to modifications or exchanges occurring on or after the effective date. Early adoption is permitted for all entities, including adoption in an interim period. Effective January 1, 2022, we adopted ASU 2021-04 using a prospective approach. It did not have a material impact on the Company's financial statements or disclosures.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission (the "SEC") did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

Note 3 – Fair Value of Financial Instruments

The estimated fair values of financial instruments outstanding were (in thousands):

	March 31, 2022 (Unaudited)			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash and cash equivalents	$ 7,286	$ —	$ —	$ 7,286
Short-term investments	19,496	—	(42)	19,454
Total	$ 26,782	$ —	$ (42)	$ 26,740

	December 31, 2021			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash and cash equivalents	$ 8,968	$ —	$ —	$ 8,968
Short-term investments	23,040	—	(29)	23,011
Total	$ 32,008	$ —	$ (29)	$ 31,979

The following table represents the Company's fair value hierarchy for its financial assets (cash equivalents and investments) (in thousands):

	March 31, 2022 (Unaudited)			
	Fair Value	Level 1	Level 2	Level 3
Money market funds	$ 6,299	$ 6,299	$ —	$ —
Corporate notes and commercial paper	19,454	—	19,454	—
Total financial assets	$ 25,753	$ 6,299	$ 19,454	$ —

	December 31, 2021			
	Fair Value	Level 1	Level 2	Level 3
Money market funds	$ 5,484	$ 5,484	$ —	$ —
Corporate notes and commercial paper	23,011	—	23,011	—
Total financial assets	$ 28,495	$ 5,484	$ 23,011	$ —

As of March 31, 2022, the fair value of the derivative liability amounted to $120,000. The details of derivative liability transactions for the three months ended March 31, 2022 and 2021, are as follows:

	March 31, 2022 (Unaudited)	March 31, 2021 (Unaudited)
Beginning balance	$ 138,000	$ 383,000
Fair value upon issuance of warrants	-	-
Change in fair value	(18,000)	(21,000)
Extinguishment	-	-
Ending balance	$ 120,000	$ 362,000

Note 4 – Accounts Payable

Accounts payable consisted of the following (in thousands):

	March 31, 2022 (Unaudited)	December 31, 2021
Accounts payable to a third-party manufacturer	$ 7,423	$ 6,335
Other accounts payable	690	1,885
Total accounts payable	$ 8,113	$ 8,220

The Company relies on a third-party contract manufacturing operation to produce and/or test our compounds used in our potential product candidates. As of March 31, 2022 the Company was indebted $7.4 million of accounts payable to this vendor.

Note 5 – Convertible Notes Payable

Notes Payable Issued for Cash

As part of the Company's financing activities, the Company issued convertible notes payable totaling $25.3 million between August 1, 2018 and January 26, 2021. On February 16, 2021, in accordance with the terms of the note agreements upon completion of the equity offering, these notes were mandatorily converted at a conversion rate of $3.40 per share into 7,438,235 shares of the Company's common stock.

Notes Payable Issued for Settlement Agreements

In fiscal 2019 and 2020, the Company issued its convertible notes payable in the amount of $2.5 million to resolve claims and disputes pertaining to certain debt and equity instruments issued by the Company in prior years. On February 16, 2021 in accordance with the note agreements upon completion of the equity offering, these notes were mandatorily converted at a conversion rate of $3.40 per share into 743,529 shares of the Company's common stock.

Notes Payable Issued for Forbearance Agreements

On June 23, 2020, the Company entered into Standstill and Forbearance Agreements (collectively, the "Forbearance Agreements") with the holders of $13.2 million aggregate principal amount of the Convertible Notes (the "Default Notes"), which were in default. Pursuant to the Forbearance Agreements, the holders of the Default Notes agreed to forbear from exercising their rights and remedies under the Default Notes (including declaring such Default Notes (together with any default amounts and accrued and unpaid interest) immediately due and payable) until the earlier of (i) the date that the Company completes a future financing in the amount of $15 million and, in connection therewith, commences listing on NASDAQ (collectively, the "New Financing") or (ii) January 31, 2021 (the "Termination Date").

On February 16, 2021 in accordance with the note agreements upon completion of the equity offering, these notes, in the amount of $.8 million, were mandatorily converted at a conversion rate of $3.40 per share into 1,132,059 shares of the Company's common stock.

Notes Payable issued for Consulting Agreements

In prior years, the Company issued its convertible notes payable in exchange for consulting services in the amount of $.6 million.

On February 16, 2021 in accordance with the note agreements upon completion of the equity offering, these notes in the aggregate amount of $.6 million were mandatorily converted at a conversion rate of $3.40 per share into 472,059 shares of the Company's common stock.

Notes Payable issued for Accrued Interest

In prior years, the Company recorded accrued interest of $5.6 million related to all notes payable. On February 16, 2021, in accordance with the note agreements upon completion of the equity offering, the accrued interest was mandatorily converted at a conversion rate of $3.40 per share into 1,627,440 shares of the Company's common stock.

Adoption of ASU 2020-06

In fiscal 2020, the Company recorded a note/debt discount of $4.7 million to account for the beneficial conversion feature that existed on the date of issuance for the above convertible notes payable. The debt discount was being amortized to interest expense over the term of the corresponding convertible notes payable.

On January 1, 2021 the Company chose to adopt ASU 2020-06, Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. As a result of the adoption of ASU 2020-06, the Company extinguished the previously recorded debt discount of $4.7 million by charging the opening additional paid in capital at January 1, 2021. In addition, the Company also adjusted accumulated deficit to account for the derecognition of the $0.2 million interest expense due to the amortization of the debt discount that was recorded in fiscal 2020. As a result of these adjustments, the unamortized debt discount of $4.5 million was extinguished.

Note 6 – Derivative Liability

During the year ended December 31, 2020, the Company issued certain warrants that contained a fundamental transaction provision that could give rise to an obligation to pay cash to the warrant holder upon occurrence of certain change in control type events. In accordance with ASC 480, the fair value of these warrants is classified as a liability in the Condensed Consolidated Balance Sheet and will be re- measured at the end of every reporting period with the change in value reported in the statement of operations.

The derivative liabilities were valued using a Binomial pricing model with the following average assumptions:

	March 31 2022 (Unaudited)	December 31 2021
Stock Price	$ 2.88	$ 3.05
Risk-free interest rate	2.42%	1.26%
Expected volatility	127%	129%
Expected life (in years)	3.3	3.6
Expected dividend yield	-	-
Fair Value of Warrants	$ 120,000	$ 138,000

The risk-free interest rate was based on rates established by the Federal Reserve Bank. The Company uses the historical volatility of its common stock to estimate the future volatility for its common stock. The expected life of the derivative securities was determined by the remaining contractual life of the derivative instrument. The expected dividend yield was based on the fact that the Company has not paid dividends to its common stockholders in the past and does not expect to pay dividends to its common stockholders in the future.

During the three months ended March 31, 2022, the Company recognized a gain of $18,000 to account for the change in fair value of the derivative liability between the reporting periods in accordance with ASC 842.

Note 7 – Stockholders' Equity

The Company's authorized capital as of March 31, 2022 was 750,000,000 shares of common stock, par value $0.001 per share, and 15,000,000 shares of preferred stock, par value $0.01 per share.

Common Stock

Common Stock Issuable

On February 16, 2021, as a result of the mandatory conversion of the notes payable and accrued interest in the aggregate amount of $8.8 million, the Company issued a total of 11,413,322 shares of common stock to the respective noteholders, of which 11,086,024 were already issued as of December 31, 2021. The remaining 327,298 common shares issuable at December 31, 2021 valued at $1.1 million, were issued during the three months period ended March 31, 2022.

Cancellation of common stock

During the period ended March 31, 2022, the Company cancelled and returned to authorized capital 290,999 previously issued shares of common stock.

Equity compensation to officers, employees, and board of directors

As part of employment agreements with its former CEO and its former CFO ("Officers"), the Officers received a fully vested stock grant equal to an aggregate of 1.0% and 1.5% of the fully diluted shares of common stock of the Company (calculated with the inclusion of the current stock holdings of the CEO) upon conversion of options, warrants and Convertible Notes in association with a national markets qualified financing as consideration for entering into the Agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing). In addition, the Company also granted similar equity compensation to members of the Company's board of directors wherein these directors received stock grants equal to 1% and 1.25% of the fully diluted shares of common stock of the Company. Pursuant to the agreement, approximately 33% of the common stock to be issued vested immediately while the remaining 67% will vest over a period of two years.

On February 16, 2021, the Company completed its equity offering and listed its shares of common stock on the Nasdaq Capital Market. As such, 4,379,407 shares of its common stock were granted to these Officers, employees and board of directors, which had a fair value of $18.6 million. Since the grant of the common stock is subject to milestone or performance conditions, the Company measured the fair value of the common stock on the respective date of the agreement, and such awards were recorded as compensation expense as the milestone or performance condition is met and in accordance with its vesting terms.

During the period ended March 31, 2021, the Company recognized $14.3 million of stock compensation expense related to vesting of shares to officers, employees and board of directors.

During the period ended March 31, 2022, the Company recognized $447,000 of stock compensation expense related to vesting of shares to officers, employees and board of directors. The fair value of the remaining 291,700 unvested shares of common stock to officers, employees and board of directors at March 31, 2022 was $1.4 million and will be recognized as stock compensation expense in future periods.

Issuance of common shares for services

As part of consulting agreements with certain consultants, the Company agreed to grant these consultants common stock equal to 1% and 3% of the fully diluted shares of common stock of the Company upon conversion of options, warrants and Convertible Notes in association with a national markets qualified financing as consideration for entering into the Agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing).

On February 16, 2021, the Company completed its equity offering and listed its shares of common stock on the Nasdaq Capital Market. As a result of this offering, the Company agreed to issue to these consultants 2,850,090 shares of common stock with a grant date fair value of $10.7 million, of which 1,934,817 shares of common stock vested immediately while the remaining 915,273, shares of common stock vests over two years. Pursuant to current accounting guidelines, as the grant of the common stock is subject to milestone or performance conditions, the Company measured the fair value of the common stock on the respective date of the agreement, and then such award is being recorded as compensation expense based upon the vesting term of the grant.

During the period ended March 31, 2021, the Company recognized $8.5 million of stock compensation expense related to the issuance of 1,957,374 shares of common stock and the vesting of shares to these consultants.

During the period ended March 31, 2022, the Company recognized $872,000 of stock compensation expense related to the issuance of 46,500 shares of common stock and the vesting of 116,247 shares of common stock issued to consultants for services in fiscal 2022. The fair value of the 389,570 unvested shares of common stock to consultants at March 31, 2022 was $1.3 million and will be recognized as stock compensation expense in future periods.

Preferred Stock

Series C Preferred Stock

At March 31, 2022 and March 31, 2021, there were 96,230 shares of series C preferred stock, par value $0.01 per share (the "Series C Preferred Stock") issued and outstanding.

As a result of reverse stock splits in previous years and the agreement terms for adjusting the rights of the related shares, the 96,230 shares of Series C Preferred Stock are not currently convertible, have no voting rights, and in the event of liquidation, the holders of the Series C Preferred Stock would not participate in any distribution of the assets or surplus funds of the Company. The holders of Series C Preferred Stock also are not currently entitled to any dividends if and when declared by the Company's board of directors (the "Board"). No dividends to holders of the Series C Preferred Stock were issued or unpaid through March 31, 2022 and 2021.

Series K Preferred Stock

On February 16, 2021, the Board designated 115,000 shares of Series K preferred stock, par value $.01. (the "Series K Preferred Stock").

Shares of the Series K Preferred Stock are convertible at any time, at the option of the holders, into shares of the Company's common stock at an effective conversion rate of 100 shares of common stock for each share of Series K Preferred. Shares of the Series K Preferred Stock have the same voting rights as the shares of the Company's common stock, with the holders of the Series K Preferred Stock entitled to vote on an as-converted-to-common stock basis, subject to the beneficial ownership limitation, together with the holders of the Company's common stock on all matters presented to the Company's stockholders. The Series K Preferred Stock are not entitled to any dividends (unless specifically declared by the Board) but will participate on an as-converted-to-common-stock basis in any dividends to the holders of the Company's common stock. In the event of the Company's dissolution, liquidation or winding up, the holders of the Series K Preferred Stock will be on parity with the holders of the Company's common stock and will participate, on a on an as-converted-to-common stock basis, in any distribution to holders of the Company's common stock.

As of March 31, 2022 and December 31, 2021, there were no shares of Series K Preferred stock issued and outstanding.

Warrants and Options

Common Stock Warrants

Stock warrant transactions for the three months ended March 31, 2022:

	Number of Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2021:	2,337,274	$ 5.30
Granted	-	-
Forfeited/canceled	-	-

Exercised	-	-
Warrants outstanding at March 31, 2022	2,337,274	$ 5.30
Warrants exercisable at March 31, 2022	2,337,274	$ 5.30

As of March 31, 2022, all issued and outstanding warrants are fully vested, and have no intrinsic value as the exercise price of these warrants was greater than the market price.

Common Stock Options

Stock option transactions for the three months ended March 31, 2022:

	Number of Options	Weighted Average Exercise Price
Options outstanding at December 31, 2021:	302,500	$ 3.05
Granted	-	-
Forfeited/canceled	-	-
Exercised	-	-
Options outstanding at March 31, 2022	302,500	$ 3.05
Options exercisable at March 31, 2022	111,215	$ 3.05

At March 31, 2022, there were 191,285 unvested options with a grant date fair value of $511,115 which will be recognized as stock compensation in future periods based upon the remaining vesting term of the applicable grants.

There was no intrinsic value of the outstanding options as of March 31, 2022 as the exercise price of these options was greater than the market price.

Note 8 – Commitments and Contingencies

Litigation

The Company is involved in certain legal proceedings that arise from time to time in the ordinary course of our business. Except for income tax contingencies, we record accruals for contingencies to the extent that our management concludes that the occurrence is probable and that the related amounts of loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. There is no current or pending litigation of any significance with the exception of the matters that have arisen under, and are being handled in, the normal course of business.

On August 28, 2019, a complaint was filed in the Superior Court of California, County of Los Angeles, West Judicial District, Santa Monica Courthouse, Unlimited Civil Division by Jeffrey Lion, an individual ("Lion"), and by Daniel Vallera, an individual ("Vallera"). Lion and Vallera are referred to jointly as the "Plaintiffs." The complaint was filed against GT Biopharma, Inc. and its subsidiary Oxis Biotech, Inc. (either of them or jointly, the "Company"). The Plaintiffs alleged breach of a license agreement between the Plaintiffs and the Company entered into on or about September 3, 2015. A settlement of the case was reached on February 7, 2022 in the amount of $ 425,000. This amount was fully accrued at December 31, 2021. The settlement amount was subsequently paid on March 4, 2022.

Significant Agreements

Research and Development Agreements

The Company is a party to a scientific research agreement with the Regents of the University of Minnesota, effective June 16, 2021. This scientific research agreement aims to work with the Company with three major goals in mind: (1) support the Company's TriKE® product development and GMP manufacturing efforts; (2) TriKE® pharmacokinetics optimization in humans; and (3) investigation of the patient's native NK cell population based on insights obtained from the analysis of the human data generated during our GTB-3550 clinical trial. The major deliverables proposed here are: (1) creation of IND enabling data for TriKE® constructs in support of our product development and GMP manufacturing efforts; (2) TriKE® platform drug delivery changes to allow transition to alternative drug delivery means and extended PK in humans; and (3) gain an increased understanding of changes in the patient's native NK cell population as a result of TriKE® therapy. Most studies will use TriKE® DNA/amino acid sequences created by us under current UMN/GTB licensing terms. The term of this agreement shall expire on June 30, 2023.

The University of Minnesota shall use reasonable efforts to complete the project for a fixed sum of $2.1 million. The Company recorded expense of $1.1 million through March 31, 2022.

On October 5, 2020, GT Biopharma entered into a Master Services Agreement with a third-party product manufacturer to perform biologic development and manufacturing services on behalf of the Company. Associated with this, the Company has subsequently signed five Statements of Work for the research and development of products for use in clinical trials. At March 31 2022, the Company's commitments in relation to these Statements of Work and any related Change Orders totaled approximately $ 13.0 million, of which $8.4 million was incurred at that date and an additional $4.6 million is in process during fiscal year 2022.

Patent and License Agreements

2016 Exclusive Patent License Agreement

The Company is party to an exclusive worldwide license agreement with the Regents of the University of Minnesota, ("UofMN"), to further develop and commercialize cancer therapies using TriKE® technology developed by researchers at the UofMN to target NK cells to cancer. Under the terms of the 2016 agreement, the Company receives exclusive rights to conduct research and to develop, make, use, sell, and import TriKE® technology worldwide for the treatment of any disease, state, or condition in humans. The Company is responsible for obtaining all permits, licenses, authorizations, registrations, and regulatory approvals required or granted by any governmental authority anywhere in the world that is responsible for the regulation of products such as the TriKE® technology, including without limitation the FDA and the European Agency for the Evaluation of Medicinal Products in the European Union. Under the agreement, the UofMN received an upfront payment of $0.2 million, and an annual License Maintenance fee of $0.1 million beginning in 2021. The agreement also includes 4% royalty fees, (not to exceed 6%) under subsequent license agreements or amendments to this agreement or minimum annual royalty payments ranging from $0.25 million to $5.0 million. The agreement also includes certain performance milestone payments totaling $3.1 million, and one-time sales milestone payments of $1.0 million upon reaching $250 million in gross sales, and $5.0 million upon reaching $500 million dollars in cumulative gross sales of Licensed Products.

2021 Patent License Agreement

On March 26, 2021, the Company signed an agreement specific to the B7H3 targeted TriKE®. Under the agreement, the UofMN received an upfront license fee of $20,000 and will receive an annual License Maintenance fee of $5,000 beginning in 2022, 2.5% to 5% royalty fees, or minimum annual royalty payments of $0.25 million beginning in the year after the first commercial sales of Licensed Product, and $2.0 million beginning in the fifth year after the first commercial sale of such Licensed Product. The agreement also includes certain performance milestone payments totaling $3.1 million-, and one-time sales milestone payments of $1.0 million upon reaching $250 million in gross sales, and $5.0 million upon reaching $500 million dollars in cumulative gross sales of Licensed Products. There is no double payment intended; if one of the milestone payments has been paid under the 2016 agreement no further payment is due for the corresponding milestone above.

Lease Agreements

On November 19, 2021 the Company entered into a sublease with Aimmune Therapeutics, Inc. for4,500 square feet of office space located in Brisbane, California having a commencement date of January 1, 2022 and maturing on June 30, 2024. Additionally, on February 8, 2022, the Company entered into a lease of a photocopier, which matures on February 7, 2025.

Rent expense related to these leases reflected on the Company's Condensed Consolidated Statements of Operations totaled $29,000.

Other information related to leases and future minimum lease payments under non-cancellable operating leases were as follows:

	March 31, 2022 (Unaudited)
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 20,000
Right-of-use assets obtained in exchange for lease liabilities:	
Operating leases	$ 260,000
Weighted-average remaining lease term (in years):	
Operating leases	2.5
Weighted-average discount rate:	
Operating leases	10%

Future minimum lease payments under non-cancellable operating leases were as follows:

	March 31, 2022 (Unaudited)
Within one year	$ 90,000
After one year and within two years	122,000
After two years and within three years	65,000
Thereafter	-
Total future minimum lease payments	$ 277,000
Less – discount	(30,000)
Lease liability	$ 247,000

Note 9 - Subsequent Events

On April 29, 2022, the Company entered into a settlement agreement with its former Chief Executive Officer ("Officer") and received1,845,000 shares of its common stock in full and final settlement of all its claims against the Officer. The common stock certificates were received by the Company on May 2, 2022 and the common shares were subsequently cancelled.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations. CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements in this Quarterly Report on Form 10-Q are "forward-looking statements" within the meaning of the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding our current beliefs, goals and expectations about matters such as our expected financial position and operating results, our business strategy and our financing plans. The forward-looking statements in this report are not based on historical facts, but rather reflect the current expectations of our management concerning future results and events. The forward-looking statements generally can be identified by the use of terms such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "guidance," "estimate," "potential," "outlook," "target," "forecast," "likely" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals are, or may be, forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. We cannot guarantee that our forward-looking statements will turn out to be correct or that our beliefs and goals will not change. Our actual results could be very different from and worse than our expectations for various reasons. You should review carefully all information, including the discussion of risk factors under "Part I. Item 1A: Risk Factors" and "Part II. Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Form 10-K for the year ended December 31, 2021. Any forward-looking statements in the Form 10-Q are made only as of the date hereof and, except as may be required by law, we do not have any obligation to publicly update any forward-looking statements contained in this Form 10-Q to reflect subsequent events or circumstances.

Throughout this Quarterly Report on Form 10-Q, the terms "GTBP," "we," "us," "our," "the company" and "our company" refer to GT Biopharma, Inc., a Delaware corporation formerly known as Oxis International, Inc., DDI Pharmaceuticals, Inc. and Diagnostic Data, Inc, together with our subsidiaries.

Overview

We are a clinical stage biopharmaceutical company focused on the development and commercialization of novel immuno-oncology products based off our proprietary Tri-specific Killer Engager (TriKE®) fusion protein immune cell engager technology platform. Our TriKE® platform generates proprietary therapeutics designed to harness and enhance the cancer killing abilities of a patient's own natural killer cells, or NK cells. Once bound to an NK cell, our moieties are designed to enhance the NK cell, and precisely direct it to one or more specifically targeted proteins expressed on a specific type of cancer cell or virus infected cell, ultimately resulting in the targeted cell's death. TriKE® can be designed to target any number of tumor antigens on hematologic malignancies, sarcomas or solid tumors and do not require patient-specific customization.

We are using our TriKE® platform with the intent to bring to market immuno-oncology products that can treat a range of hematologic malignancies, sarcoma and solid tumors. The platform is scalable, and we are putting processes in place to be able to produce IND-ready moieties in a timely manner after a specific TriKE® conceptual design. After conducting market and competitive research, specific moieties can then be advanced into the clinic on our own or through potential collaborations with larger companies. We

are also evaluating, in conjunction with our Scientific Advisory Board, additional moieties designed to target different tumor antigens. We believe our TriKE ® may have the ability, if approved for marketing, to be used as a monotherapy, augment the current monoclonal antibody therapeutics, be used in conjunction with more traditional cancer therapy and potentially overcome certain limitations of current chimeric antigen receptor, or CAR-T, therapy.

We are also using our TriKE® platform to develop therapeutics useful for the treatment of infectious disease such as for the treatment of patients infected by the human immunodeficiency virus (HIV). While the use of anti-retroviral drugs has substantially improved the health and increased the longevity of individuals infected with HIV, these drugs are designed to suppress virus replication to help modulate progression to AIDS and to limit further transmission of the virus. Despite the use of anti-retroviral drugs, infected individuals retain reservoirs of latent HIV-infected cells that, upon cessation of anti-retroviral drug therapy, can reactivate and re-establish an active HIV infection. For a curative therapy, destruction of these latent HIV infected cells must take place. The HIV- TriKE ® contains the antigen binding fragment (Fab) from a broadly neutralizing antibody targeting the HIV-Env protein. The HIV- TriKE® is designed to target HIV while redirecting NK cell killing specifically to actively replicating HIV infected cells. The HIV- TriKE® induced NK cell proliferation, and demonstrated the ability in vitro to reactivate and kill HIV-infected T-cells. These findings indicate a potential role for the HIV- TriKE® in the reactivation and elimination of the latently infected HIV reservoir cells by harnessing the NK cell's ability to mediate the antibody-directed cellular cytotoxicity (ADCC).

Our initial work has been conducted in collaboration with the Masonic Cancer Center at the University of Minnesota under a program led by Dr. Jeffrey Miller, the Deputy Director. Dr. Miller is a recognized leader in the field of NK cell and IL-15 biology and their therapeutic potential. We have exclusive rights to the TriKE ® platform and are generating additional intellectual property.

Results of Operations

Comparison of the Three Months Ended March 31, 2022 and 2021

Research and Development Expenses

During the three months ended March 31, 2022 and 2021, we incurred $2.1 million and $1.6 million of research and development expenses, an increase of $500,000. Research and development costs increased primarily due to the addition of employees.

Selling, general and administrative expenses

During the three months ended March 31, 2022 and 2021, we incurred $3.4 million and $27.4 million of selling, general and administrative expenses. The decrease in selling, general and administrative expenses is primarily attributable to a decrease in stock-based compensation to consultants, officers and directors.

Interest Income

Interest income was $8,000 and $0 for the three months ended March 31, 2022 and 2021 respectively. The increase in interest income is due to the interest earned in the three months ended March 31, 2022 as compared to the same comparable period in 2021.

Interest Expense

Interest expense was $0 and $696,000 for the three months ended March 31, 2022 and 2021 respectively. The decrease in interest expense is due to the conversion of notes payable to common shares during 2021. The Company did not have any outstanding notes payable as of and during the period ended March 31, 2022.

Change in fair value of derivative liability

The change in fair value of derivative liability due to remeasurement was a gain of $18,000 for the three months ended March 31, 2022 as compared to a $21,000 gain for the three months ending March 31, 2021.

Unrealized loss on marketable securities

The unrealized loss on marketable securities was $24,000 and $0 for the three months ended March 31, 2022 and 2021 respectively.

Liquidity and Capital Resources

The Company's current operations have focused on business planning, raising capital, establishing an intellectual property portfolio, hiring, and conducting preclinical studies. The Company does not have any product candidates approved for sale and has not generated any revenue from product sales. The Company has sustained operating losses since inception and expects such losses to continue over the foreseeable future. We anticipate that cash utilized in the twelve months following this filing date for selling, general and administrative expenses will range between $5 and $6 million and research and development expenses will range between $14 and $16 million.

The Company reported cash and cash equivalents of $7.3 million, and short-term investments of $19.5 million as of March 31, 2022. Management believes that the Company has sufficient cash and cash equivalents, and short-term investments to funds its operations for more than twelve months from the date of this filing.

Management is currently evaluating different strategies to obtain the required funding for future operations. These strategies may include but are not limited to: public offerings of equity and/or debt securities, payments from potential strategic research and development, licensing and/or marketing arrangements with pharmaceutical companies.

Critical Accounting Policies

We consider the following accounting policies to be critical given they involve estimates and judgments made by management and are important for our investors' understanding of our operating results and financial condition.

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. These condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Oxis Biotech, Inc. and Georgetown Translational Pharmaceuticals, Inc. Intercompany transactions and balances have been eliminated in consolidation.

Accounting Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include accruals for potential liabilities, assumptions used in deriving the fair value of derivative liabilities, valuation of equity instruments issued for services, and valuation of deferred tax assets. Actual results could differ from those estimates.

Stock-Based Compensation

The Company accounts for share-based awards to employees, nonemployees and consultants in accordance with the provisions of ASC 718, Compensation-Stock Compensation. Stock-based compensation cost is measured at fair value on the grant date and that fair value is recognized as expense over the requisite service, or vesting, period.

Inflation

We believe that inflation has not had a material adverse impact on our business or operating results during the periods presented.

Off-balance Sheet Arrangements

We have no off-balance sheet arrangements as of March 31, 2022.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

This company qualifies as a smaller reporting company, as defined in 17 C.F.R. §229.10(f)(1) and is not required to provide information for this Item

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer evaluated the effectiveness of our "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the United States Securities Exchange Act of 1934, as amended), as of March 31, 2022. Based on that evaluation, we have concluded that our disclosure controls and procedures were not effective as of March 31, 2022 as a result of material weaknesses in internal control over financial reporting due to (i) inadequate segregation of duties, (ii) risks of executive override and (iii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both U.S. GAAP and SEC regulation, in each case, as described in "Item 9A. Controls and Procedures" in the Company's Form 10-K for the year ended December 31, 2021.

The Company has begun to take measures to mitigate the issues identified and implement a functional system of internal controls over financial reporting. Specifically, the Company has hired an experienced Chief Financial Officer, and engaged a forensic accountant to review the Company's bank records, transactions with affiliates and/or related parties, expense reimbursement practices and vendor payment practices. The forensic accountant's review is currently ongoing. In addition, the Company's board of directors previously designated a Special Committee in August 2021 charged with, among other duties, evaluating the current compliance, compensation, operations and personnel of the Company, and determining actions appropriate to address any deficiencies or inefficiencies identified through such evaluation. Such measures have included and/or will include, but not be limited to, hiring of additional employees in the Company's finance and accounting department; preparation of risk-control matrices to identify key risks and develop and document policies to mitigate those risks; and identification and documentation of standard operating procedures for key financial activities, with additional oversight by the Company's board of directors.

Changes in Internal Control over Financial Reporting

Except for the ongoing remediation of the material weaknesses in internal controls over financial reporting noted above, no changes in our internal control over financial reporting were made during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

On August 28, 2019, a complaint was filed in the Superior Court of California, County of Los Angeles, West Judicial District, Santa Monica Courthouse, Unlimited Civil Division by Jeffrey Lion, an individual ("Lion"), and by Daniel Vallera, an individual ("Vallera"). Lion and Vallera are referred to jointly as the "Plaintiffs." The complaint was filed against GT Biopharma, Inc. and its subsidiary Oxis Biotech, Inc. (either of them or jointly, the "Company"). The Plaintiffs alleged breach of a license agreement between the Plaintiffs and the Company entered into on or about September 3, 2015. A settlement of the case was reached on February 7, 2022 in the amount of $425,000. This amount was fully accrued at December 31, 2021. The settlement amount was subsequently paid on March 4, 2022.

Item 6. Exhibits

Exhibit	Description	Filed Herewith	Form	Number	SEC File No.	Filing Date
3.1	Restated Certificate of Incorporation as filed in Delaware September 10, 1996 and as thereafter amended through March 1, 2002		10-KSB	3.A	000-08092	4/1/2002
3.2	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., dated February 9, 2011		10-K	3.2	000-08092	3/31/2011
3.3	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of July 19, 2017		8-K/A	3.1	000-08092	3/15/2018
3.4	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of February 10, 2021		8-K	3.1	001-40023	2/11/2021
3.5	Bylaws, as restated effective September 7, 1994 and as amended through April 29, 2003		10-QSB	3	000-08092	8/14/2003
4.1	Certificate of Designation of Preferences, Rights and Limitations of Series K Preferred Stock of GT Biopharma, Inc., dated April 3, 2019		10-K	4.2	001-40023	4/16/2021
10.1	Board Service Agreement with Michael Breen dated November 11, 2020	X				
10.2	Employment Agreement with Manu Ohri dated May 15, 2022	X				

31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.	X
31.2	Certification of Principal Financial Officer and Chief Financial Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.	X
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002	X
32.2	Certification of Principal Financial Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002	X
101.INS	Inline XBRL Instance Document.	X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase	X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase	X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase	X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	X

* This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that Section, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act.

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.

GT Biopharma, Inc.

Dated: May 16, 2022

By: */s/ Manu Ohri*
Manu Ohri
Chief Financial Officer

Exhibit 10.1

BOARD SERVICE AGREEMENT

GT Biopharma, Inc., ("GT" or the "Company") appoints, as of November 11, 2020, Michael Breen " Director" to its board of directors for an initial term of two years, and as may be extended under the Company's bylaws.

1. Commencement Date. January 13, 2021

2. Initial Board Position. Director shall serve as a member of the board of directors of the Company, Chair of the Nominating Committee, and member of the audit Committee through the term of this agreement. Director will perform all activities as reasonably expected of such position throughout the term of this agreement.

3. Term. The Director's term shall commence as of the Commencement Date and shall continue for a period of two years.

4. Compensation.

a. Company shall pay the Director for the services of Director, an annual stipend of $120,000.00 for Director compensation, which will include all fees as part of being a member of the following: Chairman of the Audit Committee and member of the Nominating Committee. Said fee shall cover all services including attendance at board and telephonic meetings and service as committee chair and/or member. Director shall be paid in 12 monthly payments commencing on the first day of each month. Upon completion of a National Listing and financing, the board will review the current compensation board packages.

b. The Board will grant Director 1 percent of the fully diluted shares of the Company's common stock ("Common Stock") upon the Company completion of a Nasdaq qualifying raise of $15,000,000.00. Said Common Stock shall vest as follows: One third upon joining, one third upon the first anniversary and one third upon the second anniversary, beginning on date of execution of this agreement. Vesting will accelerate if the company undergoes a change of control transaction for cash.

c. A formal board compensation plan will be put into effect that will specify annual equity grants for board members going forward.

5. Indemnification. The Company agrees to defend, indemnify and hold harmless the Director with respect to any claim made, or action, suit or proceeding instituted, against the Director including the reasonable costs and expenses of defense thereof, that is based upon or arises out of any services performed by the Director under this Agreement to the full extent that Directors of the Company may be indemnified under the By-laws of the Company, except if such claim, action or proceeding arises from the gross negligence of the Director. The Director will be named as insured under Company's director and officer's insurance policy.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth above.

GT Biopharma, Inc.,

Signature:

Name: Anthony Cataldo, Chairman and Chief Executive Officer

Director: Michael Breen

Signature:

Exhibit 10.2

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into by and among GT Biopharma, Inc. ("Parent") and each of its subsidiaries (together with Parent, the "Company") and Manu Ohri ("Executive") as of May 15, 2022 and is effective as of February 14, 2022 (the "Effective Date").

WHEREAS, the Company is desirous of employing Executive, and Executive wishes to be employed by the Company in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, IT IS MUTUALLY AGREED AS FOLLOWS:

1 . **Position and Duties**: Executive shall be employed by Parent and each of its subsidiaries as its Chief Financial Officer reporting to Parent's Chief Executive Officer. Executive agrees to devote the necessary business time, energy and skill to his duties at the Company. These duties of Executive under this Agreement shall include all those duties customarily performed by a company's Chief Financial Officer as well as providing advice and consultation on general corporate matters and other projects as may be assigned by Parent's Chief Executive Officer and/or Board of Directors on an as needed basis. Executive shall perform his duties remotely from his residence in Anaheim Hills, California or at the Company's executive offices, currently located in Brisbane, California, unless mutually agreed by Executive and Parent. During the term of Executive's employment, Executive shall be permitted to serve on boards of directors of not-for-profit entities, provided such service does not adversely affect the performance of Executive's duties to the Company under this Agreement, and are not in conflict with the interests of the Company.

2. **Term of Employment:** This Agreement shall remain in effect for a period of two years from the Effective Date and thereafter will automatically renew for successive one year periods unless either party provides ninety days' prior written notice of termination. Upon the termination of Executive's employment prior to the expiration of the term of this Agreement, Executive shall receive the applicable benefits set forth in this Agreement. Upon the termination of Executive's employment for any reason, neither Executive nor the Company shall have any further obligation or liability under this Agreement to the other, except as set forth below.

3. **Compensation**: Executive shall be compensated by the Parent for his services to the Company as follows:

(a) **Base Salary**: Executive shall be paid a base salary of $400,000 per year (the "Base Salary"), effective May 15, 2022, payable by Parent monthly in cash in accordance with Parent's normal payroll procedures. Executive's Base Salary shall be reviewed on at least an annual basis and may be adjusted as appropriate, but in no event shall it be reduced to an amount below Executive's Base Salary than in effect. In the event of such an adjustment, that amount shall become Executive's Base Salary.

(b) **Benefits**: Executive shall have the right, on the same basis as other senior executives of the Company, to participate in and to receive benefits under any of the Company's employee benefit plans, medical insurance (which extends to Executive's immediate family), as such plans may be modified from time to time, and provided that in no event shall Executive receive less than (4) four weeks paid vacation per annum, (6) six paid sick days per annum, and (5) five paid personal days per annum.

(c) **Performance Bonus**: Executive shall have the opportunity to earn a performance bonus of up to forty percent (40%) of the Base Salary in accordance with the Parent's Performance Bonus Plan if in effect ("Target Bonus"); if the Parent does not have a Performance Bonus Plan in effect at any given time during the term of this Agreement, then Parent's Compensation Committee or Board of Directors shall have discretion as to determining bonus compensation for Executive.

(d) **General Grant**: At such time as the Parent may issue compensatory shares in accordance with the rules of the Nasdaq Stock Market, LLC and subject to approval by the Compensation Committee of Parent's Board of Directors, the Parent shall (1) issue to Executive, pursuant to a stock award agreement (which, among other provisions, shall prohibit Executive from transferring such shares for a period of 6 months following issuance), 100,000 shares of common stock of the Parent, which shares shall be deemed to be fully vested on the Effective Date; and (2) issue to Executive options to purchase 200,000 shares of common stock of the Company, with 66,667 shares vesting on the Effective Date of the Agreement, 66,667 shares vesting on the first annual anniversary of the Effective Date, and the remaining 66,666 shares vesting on the second annual anniversary of the Effective Date, subject to Executive's continued service on each such vesting dates, provided, that in the event of a Change in Control, such shares shall accelerate and vest immediately prior to the consummation thereof. In the event the Executive shall leave the employment of the Company for any reason prior to the first anniversary of the Effective Date, the Executive shall return to the Parent 50,000 shares of common stock of the Parent. In the event the Executive shall leave the employment of the Company for any reason between the first anniversary and second anniversary of the Effective date, the Executive shall return to the Parent 25,000 shares of common stock of the Parent.

(e) **Expenses**: Parent shall reimburse Executive for reasonable travel, lodging, entertainment and meal expenses incurred in connection with the performance of services within this Agreement. Executive shall be entitled to fly Business Class on any flight longer than four (4) hours and receive full reimbursement for such flight from Parent.

(f) **Travel**: Executive shall travel as necessary from time to time to satisfy his performance and responsibilities under this Agreement.

4. **Effect of Termination of Employment**:

(a) **Voluntary Termination**: In the event of Executive's voluntary termination from employment with the Company, other than for Change in Control Period Good Reason or for Non Change in Control Good Reason, Executive shall be entitled to no compensation or benefits from the Company other than those earned under Section 3 through the date of his termination and in the case of each stock option, restricted stock award or other Company stock-based award granted to Executive, the extent to which such awards are vested through the date of his termination. In the event that Executive's employment terminates as a result of his death or disability, Executive shall be entitled to a pro rata share of the performance-based bonus, if any, for which Executive is then-eligible pursuant to Section 3(c) (presuming performance meeting, but not exceeding, target performance goals) in addition to all compensation and benefits earned under Section 3 through the date of termination.

(b) **Termination for Cause**: If Executive's employment is terminated by the Company for Cause, Executive shall be entitled to no compensation or benefits from the Company other than those earned under Section 3 through the date of termination and, in the case of each stock option, restricted stock award or other Company stock-based award granted to Executive, the extent to which such awards are vested through the date of his termination. In the event that the Company terminates Executive's employment for Cause, the Company shall provide written notice to Executive of that fact prior to, or concurrently with, the termination of employment. Failure to provide written notice that the Company is terminating Executive's employment for Cause shall constitute an irrevocable waiver of any contention that the termination was for Cause.

(c) **Involuntary Termination During Change in Control Period**: If Executive's employment with the Company terminates as a result of a Change in Control Period Involuntary Termination, then, in addition to any other benefits described in this Agreement and subject to Executive's execution of a general release of claims against the Company, Executive shall receive the following:

(i) all compensation and benefits earned under Section 3 through the date of the Company's termination of Executive's employment;

(ii) a lump sum payment equivalent to the greater of (a) the bonus paid or payable to Executive for the year immediately prior to the year in which the Change in Control occurred and (b) the Target Bonus under the Performance Bonus Plan, if any, in effect immediately prior to the year in which the Change in Control occurs;

(iii) a lump sum payment equivalent to the remaining Base Salary (as it was in effect immediately prior to the Change in Control) due Executive from the date of Change in Control Period Involuntary Termination to the end of the term in this Agreement or one-half of Executive's Base Salary then in effect, whichever is the greater; and

(iv) reimbursement for the cost of medical, life, disability insurance coverage at a level equivalent to that provided by the Company for a period expiring upon the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained.

Unless otherwise agreed to by Executive, the amount payable to Executive under subsections (i) through (iii), above, shall be paid to Executive in a lump sum within thirty (30) days following the Company's termination of Executive's employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

(d) **Termination Without Cause in the Absence of Change in Control**: In the event that Executive's employment terminates as a result of a Non Change in Control Period Involuntary Termination, then, in addition to any other benefits described in this Agreement and subject to Executive's execution of a general release of claims against the Company, Executive shall receive the following benefits:

(i) all compensation and benefits earned under Section 3 through the date of the Company's termination of Executive's employment;

(ii) a lump sum payment equivalent to the greater of (a) the bonus paid or payable to Executive for the year immediately prior to the year in which the Non Change in Control Period Involuntary Termination occurred and (b) the Target Bonus under the Performance Bonus Plan, if any, in effect immediately prior to the year in which the Non Change in Control Period Involuntary Termination occurs;

(iii) a lump sum payment equivalent to the remaining Base Salary (as it was in effect immediately prior to the Non Change in Control Period Involuntary Termination) due Executive from the date of the Non Change in Control Period Involuntary Termination to the end of the term of this Agreement or one-half of Executive's Base Salary then in effect, whichever is the greater; and

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained.

Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following the Company's termination of Executive's employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

(e) **Resignation with Good Reason During Change in Control Period**: If Executive resigns his employment with the Company as a result of a Change in Control Period Good Reason, then, in addition to any other benefits described in this Agreement and subject to Executive's execution of a general release of claims against the Company, Executive shall receive the following:

(i) all compensation and benefits earned under Section 3 through the date of Executive's termination of employment;

(ii) a lump sum payment equivalent to the greater of (a) the bonus paid or payable to Executive for the year immediately prior to the year in which the Change in Control occurred and (b) the Target Bonus under the Performance Bonus Plan, if any, in effect immediately prior to the year in which the Change in Control occurs;

(iii) a lump sum payment equivalent to the remaining Base Salary (as it was in effect immediately prior to the Change in Control) due Executive from the date of Executive's Change in Control Period Good Reason termination to the end of the term of this Agreement or one-half of Executive's Base Salary then in effect, whichever is the greater; and

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform the Parent that new employment has been obtained.

Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following Executive's termination of employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

(f) **Resignation with Good Reason in the Absence of Change in Control:** If Executive resigns his employment with the Company as a result of a Non Change in Control Period Good Reason, then, in addition to any other benefits described in this Agreement and subject to Executive's execution of a general release of claims against the Company, Executive shall receive the following:

(i) all compensation and benefits earned under Section 3 through the date of Executive's termination of employment;

(ii) a lump sum payment equivalent to a greater of (a) the bonus paid or payable to Executive for the year immediately prior to the year in which Executive resigns and (b) the Target Bonus under the Performance Bonus Plan, if any, in effect immediately prior to the year in which Executive resigns;

(iii) a lump sum payment equivalent to the remaining Base Salary (as it was in effect immediately prior to Executive's resignation) due Executive from the date of Executive's resignation to the end of the term of this Agreement or one-half of Executive's Base Salary then in effect, whichever is the greater; and

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Companies for a period of the earlier of: (a) one year or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained.

Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following Executive's termination of employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

(g) **Resignation from Positions**: In the event that Executive's employment with the Company is terminated for any reason, on the effective date of the termination Executive shall simultaneously resign from each position he holds as an officer and, if applicable, on the Board of Directors of each of Parent, its subsidiaries and any of their affiliated entities.

5. **Certain Definitions:** For the purpose of this Agreement, the following capitalized terms shall have the meanings set forth below:

(a) "Cause" shall mean any of the following occurring on or after the date of this Agreement:

(i) Executive's theft, dishonesty, breach of fiduciary duty for personal profit, or falsification of any employment or Company record;

(ii) Executive's willful violation of any law, rule, or regulation (other than traffic violations, misdemeanors or similar offenses) or final cease-and-desist over, in each case that involves moral turpitude;

(iii) any material breach by Executive of the Company's Code of Professional Conduct, which breach shall be deemed "material" if it results from an intentional act by Executive and has a material detrimental effect on the Company's reputation or business; or

(iv) any material breach by Executive of this Agreement, which breach, if curable, is not cured within thirty (30) days following written notice of such breach from the Company.

(b) "Change in Control" shall mean the occurrence of any of the following events:

(i) Parent is party to a merger or consolidation which results in the holders of the voting securities of Parent outstanding immediately prior thereto failing to retain immediately after such merger or consolidation direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the securities entitled to vote generally in the election of directors of Parent or the surviving entity outstanding immediately after such merger of consolidation;

(ii) a change in the composition of the Board of Directors of the Parent occurring within a period of twenty-four (24) consecutive months, as a result of which fewer than a majority of the directors are Incumbent Directors;

(iii) effectiveness of an agreement for the sale, lease or disposition by Parent of all or substantially all of Parent's assets; or

(iv) a liquidation or dissolution of Parent.

(c) "Change in Control Period" shall mean the period commencing on the date sixty (60) days prior to the date of consummation of the Change in Control and ending one hundred eighty (180) days following consummation of the Change in Control.

(d) "Change in Control Period Good Reason" shall mean Executive's resignation for any of the following conditions, first occurring during a Change in Control Period and occurring without Executive's written consent:

(i) a decrease in Executive's Base Salary, a decrease in Executive's Target Bonus (as a multiple of Executive's Base Salary) under the Performance Bonus Plan, or a decrease in employee benefits, in each case other than as a part of any across-the-board reduction applying to all senior executives of either Company which does not disproportionately impact Executive when compared to similarly situated executives;

(ii) a material, adverse change in Executive's title, authority and responsibilities, as measured against Executive's title, authority and responsibilities immediately prior to such change;

(iii) a requirement that Executive relocate his principal workplace from Anaheim Hills, California;

(iv) any material breach by the Company of any provision of this Agreement, which breach is not cured within thirty (30) days following written notice of such breach from Executive;

(v) any failure of Parent to obtain the assumption of this Agreement by any of Parent's successors or assigns by purchase, merger, consolidation, sale of assets or otherwise; or

(vi) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(d)(iv), above.

The effective date of any resignation from employment by Executive for Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

(e) "Non Change in Control Period Good Reason" shall mean Executive's resignation within six months of any of the following conditions first occurring outside of a Change in Control Period and occurring without Executive's written consent:

(i) a decrease in Executive's total cash compensation opportunity (adding Base Salary and Target Bonus, if any) of greater than ten percent (10%);

(ii) a material, adverse change in Executive's title, authority or responsibilities, as measured against Executive's title, authority or responsibilities immediately prior to such change;

(iii) any material breach by the Company of a provision of this Agreement, which breach is not cured within thirty (30) days following written notice of such breach from Executive;

(iv) a requirement that Executive relocate his principal workplace from Anaheim Hills, California; or

(v) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(e)(iii), above.

The effective date of any resignation from employment by Executive for Non Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

(f) "Incumbent Directors" shall mean members of Parent's Board of Directors who either (a) are members of Parent's Board of Directors as of the date hereof, or (b) are elected, or nominated for election, to Parent's Board of Directors with the affirmative vote of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of members of Parent's Board of Directors).

(g) "Change in Control Period Involuntary Termination" shall mean during a Change in Control Period the termination by the Company of Executive's employment with the Company for any reason, including termination as a result of death or disability of Executive, but excluding termination for Cause. The effective date of any Change in Control Period Involuntary Termination shall be the date of notification to Executive of the termination of employment by the Company.

(h) "Non Change in Control Period Involuntary Termination" shall mean outside a Change in Control Period the termination by the Company of Executive's employment with the Company for any reason, including termination as a result of death or disability of Executive, but excluding termination for Cause. The effective date of any Non Change in Control Period Involuntary Termination shall be the date of notification to Executive of the termination of employment by the Company.

6. **Dispute Resolution**: In the event of any dispute or claim relating to or arising out of this Agreement (including, but not limited to, any claims of breach of contract, wrongful termination or age, sex, race or other discrimination), Executive and the Company agree that all such disputes shall be fully addressed and finally resolved by binding arbitration conducted by the American Arbitration Association in the State of California in accordance with its National Employment Dispute Resolution rules. In connection with any such arbitration, Parent shall bear all costs not otherwise borne by a plaintiff in a court proceeding. The Company agrees that any decisions of arbitrator(s) will be binding and in any state that the Company conducts the operation of its business.

7. **Attorneys' Fees**: The prevailing party shall be entitled to recover from the losing party its attorneys' fees and costs incurred in any action brought to enforce any right arising out of the Agreement.

8. Restrictive Covenants:

(a) **Nondisclosure.** During the term of this Agreement and following termination of Executive's employment with the Company, Executive shall not divulge, communicate, use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any Confidential Information (as hereinafter defined) pertaining to the business of the Company. Any Confidential Information or data now or hereafter acquired by Executive with respect to the business of the Company (which shall include, but not be limited to, confidential information concerning the Company's financial condition, prospects, technology, customers, suppliers, methods of doing business and promotion of the Company's products and services) shall be deemed a valuable, special and unique asset of the Company that is received by Executive in confidence as a fiduciary. For purposes of this Agreement "Confidential Information" means information disclosed to Executive or known by Executive as a consequence of or through his employment by the Company (including information conceived, originated, discover or developed by Executive) prior to or after the date hereof and not generally known or in the public domain about the Company or its business. Notwithstanding the foregoing, none of the following information shall be treated as Confidential Information: (i) information which is known to the public at the time of disclosure to Executive; (ii) information which becomes known to the public by publication or otherwise after disclosure to Executive through no fault of Executive; (iii) information which was rightfully received by Executive from a third party without violating any non-disclosure obligation owed to or in favor of the Company; or (iv) information unrelated to the Company's business which was developed by or on behalf of Executive independently of any disclosure hereunder as shown by written records. Nothing herein shall be deemed to restrict Executive from disclosing Confidential Information to the extent required by law or by any court.

(b) **Non-Competition**. Executive shall not, while employed by the Company, engage or participate, directly or indirectly (whether as an officer, director, employee, partner, consultant, or otherwise), in any business that manufactures, markets or sells products that directly compete with any product of the Company. Nothing herein shall prohibit Executive from being a passive owner of less than 5% of the stock of any entity directly engaged in a competing business.

(c) **Property Rights; Assignment of Inventions.** With respect to information, inventions and discoveries or any interest in any copyright and/or other property right developed, made or conceived of by Executive, either alone or with others, during his employment by the Company arising out of such employment and pertinent to any field of business or research in which, during such employment, the Company is engaged or (if such is known to or ascertainable by Executive) is considering engaging, Executive hereby agrees:

(i) that all such information, inventions and discoveries or any interest in any copyright and/or other property right, whether or not patented or patentable, shall be and remain the exclusive property of the Company;

(ii) to disclose promptly to an authorized representative of Parent all such information, inventions and discoveries or any copyright and/or other property right and all information in Executive's possession as to possible applications and uses thereof;

(iii) not to file any patent application relating to any such invention or discovery except with the prior written consent of an authorized officer of Parent (other than Executive);

(iv) that Executive hereby waives and releases any and all rights Executive may have in and to such information, inventions and discoveries, and hereby assigns to the Company and/or its nominees all of Executive's right, title and interest in them, and all of Executive's right, title and interest in any patent, patent application, copyright or other property right based thereon. Executive hereby irrevocably designates and appoints Parent and each of its duly authorized officers and agents as his agent and attorney-in-fact to act for his and on his behalf and in his stead to execute and file any document and to do all other lawfully permitted acts to further the prosecution, issuance and enforcement of any such patent, patent application, copyright or other property right with the same force and effect as if executed and delivered by Executive; and

(v) at the request of Parent, and without expense to Executive, to execute such documents and perform such other acts as Parent deems necessary or appropriate, for the Company to obtain patents on such inventions in a jurisdiction or jurisdictions designated by Parent, and to assign the Company or their respective designees such inventions and any and all patent applications and patents relating thereto.

9. **General:**

(a) **Successors and Assigns**: The provisions of this Agreement shall inure to the benefit of and be binding upon the Company, Executive and each and all of their respective heirs, legal representatives, successors and assigns. The duties, responsibilities and obligations of Executive under this Agreement shall be personal and not assignable or delegable by Executive in any manner whatsoever to any person, corporation, partnership, firm, company, joint venture, or other entity. Executive may not assign, transfer, convey, mortgage, pledge or in any other manner encumber the compensation or other benefits to be received by him or any rights which he may have pursuant to the terms and provisions of this Agreement.

(b) **Amendments; Waivers**: No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of Parent (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or

provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) **Notices**: Any notices to be given pursuant to this Agreement by either party may be effected by personal delivery or by overnight delivery with receipt requested. Mailed notices shall be addressed to the parties at the addresses stated below, but each party may change its or his/her address by written notice to the other in accordance with this subsection (c). Mailed notices to Executive shall be addressed as follows:

Manu Ohri
Email: manu.ohri@gmail.com

Mailed notices to the Company shall be addressed as follows:

GT Biopharma, Inc.
8000 Marina Blvd., Suite 100
Brisbane, CA 94005

(d) **Entire Agreement**: This Agreement constitutes the entire employment agreement among Executive and the Company regarding the terms and conditions of his employment, with the exception of any stock option, restricted stock or other Company stock-based award agreements among Executive and the Company to the extent not modified by this Agreement. This Agreement supersedes all prior negotiations, representations or agreements among Executive and the Company, whether written or oral, concerning Executive's employment by the Company.

(e) **Withholding Taxes**: All payments made under this Agreement shall be subject to reduction to reflect taxes required to be withheld by law.

(f) **Counterparts**: This Agreement may be executed by Parent and Executive in counterparts, each of which shall be deemed an original and which together shall constitute one instrument.

(g) **Headings**: Each and all of the headings contained in this Agreement are for reference purposes only and shall not in any manner whatsoever affect the construction or interpretation of this Agreement or be deemed a part of this Agreement for any purpose whatsoever.

(h) **Savings Provision**: To the extent that any provision of this Agreement or any paragraph, term, provision, sentence, phrase, clause or word of this Agreement shall be found to be illegal or unenforceable for any reason, such paragraph, term, provision, sentence, phrase, clause or word shall be modified or deleted in such a manner as to make this Agreement, as so modified, legal and enforceable under applicable laws. The remainder of this Agreement shall continue in full force and effort.

(i) **Construction**: The language of this Agreement and of each and every paragraph, term and provision of this Agreement shall, in all cases, for any and all purposes, and in any and all circumstances whatsoever be construed as a whole, according to its fair meaning, not strictly for or against Executive or the Company, and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.

(j) **Further Assurances**: From time to time, at the Company's request and without further consideration, Executive shall execute and deliver such additional documents and take all such further action as reasonably requested by the Company to be necessary or desirable to make effective, in the most expeditious manner possible, the terms of this Agreement and to provide adequate assurance of Executive's due performance hereunder.

(k) **Governing Law**: Executive and the Companies agree that this Agreement shall be interpreted in accordance with and governed by the laws of the State of California.

(l) **Board Approval**: Parent and each of its subsidiaries warrants to Executive that the Board of Directors of Parent and each of its subsidiaries has ratified and approved this Agreement, and that Parent will cause the appropriate disclosure filing to be made with the Securities and Exchange Commission in a timely manner.

[Signature Page Follows]

IN WHITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

EXECUTIVE

/s/ Manu Ohri
Manu Ohri

GT BIOPHAMA, INC.

/s/ Michael Breen
Michael Breen
Executive Chairman of the Board and
Interim Chief Executive Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Michael Breen, certify that:

a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

d. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

i) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iii) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

iv) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

e. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

i) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 16, 2022

By: */s/ Michael Breen*
Name: Michael Breen
Title: Interim Chief Executive Officer,
Chairman and Director

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Manu Ohri, certify that:

a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

d. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

i) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

iii) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

iv) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

e. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

i) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 16, 2022

By: */s/ Manu Ohri*
Name: Manu Ohri
Title: Chief Financial Officer and Principal Accounting Officer

Exhibit 32.1

CERTIFICATION TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael Breen, Interim Chief Executive Officer of GT Biopharma, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: May 16, 2022

By: */s/ Michael Breen*
Name: Michael Breen
Title: Interim Chief Executive Officer,
Chairman and Director

Exhibit 32.2

CERTIFICATION TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, I, Manu Ohri, Chief Financial Officer and Principal Accounting Officer of GT Biopharma, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: May 16, 2022

By: */s/ Manu Ohri*
Name: Manu Ohri
Title: Chief Financial Officer and Principal Accounting Officer