U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 30, 2017.

☐ For the transition period from to .

Commission File Number 0-8092

GT BIOPHARMA, INC.
(Exact name of small business issuer as specified in its charter)

Delaware	**94-1620407**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification number)**

100 South Ashley Drive, Suite 600
Tampa, FL 33602
(Address of principal executive offices and zip code)

(800) 304-9888
(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☑ No ☐

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

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).Yes ☐·No ☑

At August 11, 2017, the issuer had outstanding the indicated number of shares of common stock: 496,441.

GT BIOPHARMA, INC. AND SUBSIDIARIES
FORM 10-Q
For the Six Months Ended June 30, 2017
Table of Contents

GT Biopharma, Inc. and Subsidiaries
as of June 30,2017 and December 31, 2016
Consolidated Balance Sheets

ASSETS	June 30, 2017 (unaudited)	December 31, 2016
Current Assets:		
Cash and cash equivalents	$ 39,000	$ 19,000
Prepaid expenses	-	2,000
Total Current Assets	39,000	21,000
Fixed assets, net	3,000	4,000
Total Other Assets	3,000	4,000
TOTAL ASSETS	$ 42,000	$ 25,000
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 2,347,000	$ 2,100,000
Accrued interest	4,339,000	3,800,000
Accrued expenses	57,000	219,000
Line of credit	31,000	31,000
Warrant liability	964,000	417,000
Settlement note payable	691,000	691,000
Demand notes payable	190,000	452,000
Convertible debentures, net of discount of $215,000 and $794,000, current portion	10,663,000	10,350,000
Convertible debentures	844,000	889,000
Total Current Liabilities	20,126,000	18,949,000
Stockholders' Deficit:		
Convertible preferred stock - $0.001 par value; 15,000,000 shares authorized:		
Series C - 96,230 and 96,230 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	1,000	1,000
Series H – 25,000 and 25,000 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	—	—
Series I – 1,666,667 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	2,000	2,000
Common stock - $0.001 par value; 750,000,000 shares authorized; and 496,441 and 104,218 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	0	0
Additional paid-in capital	109,876,000	105,891,000
Accumulated deficit	(129,794,000)	(124,649,000)
Noncontrolling interest	(169,000)	(169,000)
Total Stockholders' Deficit	(20,084,000)	(18,924,000)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 42,000	$ 25,000

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

GT BIOPHARMA, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
For the Six Months Ended June 30, 2017 and 2016

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Product revenues	$ -	$ -	$ -	$ -
License revenue	-	-	-	-
Total revenue	-	-	-	-
Cost of product revenue	-	-	-	-
Gross profit	-	-	-	-
Operating expenses				
Research and development	241,000	250,000	385,000	475,000
Selling, general and administrative expenses	1,044,000	1,871,000	2,438,000	5,547,000
Total operating expenses	1,285,000	2,121,000	2,823,000	6,022,000
Loss from operations	(1,285,000)	(2,121,000)	(2,823,000)	(6,022,000)
Other income (expense)				
Change in value of warrant and derivative liabilities	(367,000)	5,263,000	2,376,000	36,759,000
Interest expense	(1,178,000)	(1,599,000)	(4,698,000)	(3,245,000)
Total other income (expense)	(1,545,000)	3,664,000	(2,322,000)	33,514,000
Income (loss) before minority interest and provision for income taxes	(2,830,000)	1,543,000	(5,145,000)	27,492,000
Plus: net (income) loss attributable to the noncontrolling interest	-	-	-	-
Income before provision for income taxes	(2,830,000)	1,543,000	(5,145,000)	27,492,000
Provision for income tax	-	-	-	-
Net income (loss)	(2,830,000)	1,543,000	(5,145,000)	27,492,000
Weighted average common shares outstanding – basis and diluted				
Basic	479,053	77,785	335,450	67,918
Diluted	479,053	84,690	335,450	67,918
Net income (loss) per share				
Basic	$ (5.91)	$ 19.84	$ (15.34)	$ 404.78
Diluted	$ (5.91)	$ 18.22	$ (15.34)	$ 404.78

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

GT BIOPHARMA, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2017 and 2016

	2017 (unaudited)	2016 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss)/income	$ (5,145,000)	$ 27,492,000
Adjustments to reconcile net (loss)/income to net cash used in operating activities:		
Depreciation	1,000	-
Stock compensation expense for options and warrants issued to employees and non-employees	1,524,000	4,051,000
Amortization of debt discounts	1,376,000	972,000
Note allonge	100,000	-
Non-cash interest expense	2,197,000	1,504,000
Change in value of warrant and derivative liabilities	(2,376,000)	(36,759,000)
Changes in operating assets and liabilities:		
Other assets	-	0
Accounts payable and accrued liabilities	1,282,000	1,508,000
Net cash used in operating activities	(1,041,000)	(1,232,000)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of fixed assets	0	0
Net cash used by investing activities	0	0
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	1,061,000	1,540,000
Repayment of note payable	-	-
Net cash provided by financing activities	1,061,000	1,540,000
Minority interest	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	20,000	308,000
CASH AND CASH EQUIVALENTS - Beginning of period	19,000	47,000
CASH AND CASH EQUIVALENTS - End of period	$ 39,000	$ 355,000
Supplemental disclosures:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Supplemental disclosures:		
Issuance of common stock upon conversion of convertible notes	$ 2,025,000	$ 1,429,000
Issuance of common stock upon conversion of accrued interest	$ 486,000	$ 270,000

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

1. The Company and Summary of Significant Accounting Policies

GT Biopharma, Inc. (collectively, "OXIS" or the "Company") is engaged in discovering, developing and commercializing novel therapeutics from our proprietary product platform in a broad range of disease areas. Currently, OXIS develops innovative drugs focused on the treatment of cancer. OXIS' lead drug candidate, OXS-2175, is a small molecule therapeutic candidate targeting the treatment of triple-negative breast cancer. In *in vitro* and *in vivo* models of TNBC, OXS-2175 demonstrated the ability to inhibit metastasis. OXIS' lead drug candidate, OXS-4235, also a small molecule therapeutic candidate, targets the treatment of multiple myeloma and associated osteolytic lesions. In *in vitro* and *in vivo* models of multiple myeloma, OXS-4235 demonstrated the ability to kill multiple myeloma cells, and decrease osteolytic lesions in bone. OXIS' lead drug candidate, OXS-1550, is a bispecific scFv recombinant fusion protein-drug conjugate composed of the variable regions of the heavy and light chains of anti-CD19 and anti-CD22 antibodies and a modified form of diphtheria toxin as its cytotoxic drug payload. OXS-1550 has demonstrated success in early human clinical trials in patients with relapsed/refractory B-cell lymphoma or leukemia.

In 1965, the corporate predecessor of OXIS, 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.

Going Concern

As shown in the accompanying consolidated financial statements, the Company has incurred an accumulated deficit of $129,794,000 through June 30, 2017. On a consolidated basis, the Company had cash and cash equivalents of $39,000 at June 30, 2017. The Company's plan is to raise additional capital until such time that the Company generates sufficient revenues to cover its cash flow needs and/or it achieves profitability. However, the Company cannot assure that it will accomplish this task and there are many factors that may prevent the Company from reaching its goal of profitability.

The current rate of cash usage raises substantial doubt about the Company's ability to continue as a going concern, absent any sources of significant cash flows. In an effort to mitigate this near-term concern the Company intends to seek additional equity or debt financing to obtain sufficient funds to sustain operations. However, the Company cannot provide assurance that it will successfully obtain equity or debt or other financing, if any, sufficient to finance its goals or that the Company will generate future product related revenues. The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event that the Company cannot continue in existence.

Use of Estimates

The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities revenues and expenses and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Basis of Consolidation and Comprehensive Income

The accompanying consolidated financial statements include the accounts of GT Biopharma, Inc. and its subsidiaries. All intercompany balances and transactions have been eliminated. The Company's financial statements are prepared using the accrual method of accounting.

Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP") and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and disclosures required by U.S. GAAP for complete consolidated financial statements have been condensed or omitted herein. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Form 10-K for the year ended December 31, 2016. The unaudited interim condensed consolidated financial information presented herein reflects all normal adjustments that are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the periods presented. The Company is responsible for the unaudited interim consolidated financial statements included in this report. The results of operations of any interim period are not necessarily indicative of the results for the full year.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Concentrations of Credit Risk

The Company's cash and cash equivalents, marketable securities and accounts receivable are monitored for exposure to concentrations of credit risk. The Company maintains substantially all of its cash balances in a limited number of financial institutions. The balances are each insured by the Federal Deposit Insurance Corporation up to $250,000. The Company does not have balances in excess of this limit at June 30, 2017.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, inventory, accounts payable and accrued expenses approximate fair value because of the short-term nature of these instruments. The fair value of debt is based upon current interest rates for debt instruments with comparable maturities and characteristics and approximates the carrying amount.

Stock Based Compensation to Employees

The Company accounts for its stock-based compensation for employees in accordance with Accounting Standards Codification ("ASC") 718. The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees over the related vesting period.

The Company granted no stock options during the six months ended June 30, 2017 and 2016, respectively

Recent Accounting Pronouncement

In July 2017, The Financial Accounting Standards Board issued Accounting Standards Update 2017-11 "Earnings per Share (Topic 260), Distinguishing Liabilities from Equity (Topic 480), Derivatives and Hedging (Topic 815)" ("ASU 2017-11") to address narrow issues identified as a result of the complexity associated with applying generally accepted accounting principles (GAAP) for certain financial instruments with characteristics of liabilities and equity. Part I of the amendment change the classification analysis of certain equity-linked financial instruments (or embedded features) with down round features. The amendments also clarify existing disclosure requirements for equity-classified instruments. Part II of the update recharacterize the indefinite deferral of certain provisions of Topic 480 that now are presented as pending content in the Codification, to a scope exception. Those amendments do not have an accounting effect. Part I of ASU 2017-11 is effective for public business entities for fiscal years, and interim period within those fiscal years, beginning after December 15, 2018, with early adoption permitted. The Company has a number of equity linked financial instruments with down round provisions and is currently evaluating the impact of adopting ASU-2017-11.

Impairment of Long Lived Assets

The Company's long-lived assets currently consist of capitalized patents. The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any of the Company's long-lived assets are considered to be impaired, the amount of impairment to be recognized is equal to the excess of the carrying amount of the assets over the fair value of the assets.

Income Taxes

The Company accounts for income taxes using the asset and liability approach, whereby deferred income tax assets and liabilities are recognized for the estimated future tax effects, based on current enacted tax laws, of temporary differences between financial and tax reporting for current and prior periods. Deferred tax assets are reduced, if necessary, by a valuation allowance if the corresponding future tax benefits may not be realized.

Net Income (Loss) per Share

Basic net income (loss) per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period, plus the potential dilutive effect of common shares issuable upon exercise or conversion of outstanding stock options and warrants during the period. The weighted average number of potentially dilutive common shares excluded from the calculation of net income (loss) per share totaled in 1,030,951 and 43,002 as of June 30, 2017 and 2016, respectively.

Patents

Acquired patents are capitalized at their acquisition cost or fair value. The legal costs, patent registration fees and models and drawings required for filing patent applications are capitalized if they relate to commercially viable technologies. Commercially viable technologies are those technologies that are projected to generate future positive cash flows in the near term. Legal costs associated with patent applications that are not determined to be commercially viable are expensed as incurred. All research and development costs incurred in developing the patentable idea are expensed as incurred. Legal fees from the costs incurred in successful defense to the extent of an evident increase in the value of the patents are capitalized.

Capitalized cost for pending patents are amortized on a straight-line basis over the remaining twenty year legal life of each patent after the costs have been incurred. Once each patent is issued, capitalized costs are amortized on a straight-line basis over the shorter of the patent's remaining statutory life, estimated economic life or ten years.

Fixed Assets

Fixed assets is stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which are 3 to 10 years for machinery and equipment and the shorter of the lease term or estimated economic life for leasehold improvements.

Fair Value

The carrying amounts reported in the balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of fair value because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets. The Company's Level 1 assets include cash equivalents, primarily institutional money market funds, whose carrying value represents fair value because of their short-term maturities of the investments held by these funds.

- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. The Company's Level 2 liabilities consist of liabilities arising from the issuance of convertible securities and in accordance with ASC 815-40: a warrant liability for detachable warrants, as well as an accrued derivative liability for the beneficial conversion feature. These liabilities are remeasured each reporting period. Fair value is determined using the Black-Scholes valuation model based on observable market inputs, such as share price data and a discount rate consistent with that of a government-issued security of a similar maturity.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table represents the Company's assets and liabilities by level measured at fair value on a recurring basis at June 30, 2017.

Description	Level 1	Level 2	Level 3
Assets			
	$ —	$ —	$ —
Liabilities			
Warrant liability	—	964,000	—

Research and Development

Research and development costs are expensed as incurred and reported as research and development expense. Research and development costs totaling $385,000 and $475,000 for the six months ended June 30, 2017 and 2016, respectively.

Revenue Recognition

License Revenue

License arrangements may consist of non-refundable upfront license fees, exclusive licensed rights to patented or patent pending technology, and various performance or sales milestones and future product royalty payments. Some of these arrangements are multiple element arrangements.

Non-refundable, up-front fees that are not contingent on any future performance by us, and require no consequential continuing involvement on our part, are recognized as revenue when the license term commences and the licensed data, technology and/or compound is delivered. We defer recognition of non-refundable upfront fees if we have continuing performance obligations without which the technology, right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of our performance under the other elements of the arrangement. In addition, if we have continuing involvement through research and development services that are required because our know-how and expertise related to the technology is proprietary to us, or can only be performed by us, then such up-front fees are deferred and recognized over the period of continuing involvement.

Payments related to substantive, performance-based milestones in a research and development arrangement are recognized as revenue upon the achievement of the milestones as specified in the underlying agreements when they represent the culmination of the earnings process.

2. Debt

Senior secured convertible debentures

On October 25, 2006, the Company entered into a securities purchase agreement ("2006 Purchase Agreement") with four accredited investors (the "2006 Purchasers"). In conjunction with the signing of the 2006 Purchase Agreement, the Company issued secured convertible debentures ("2006 Debentures") and Series A, B, C, D, and E common stock warrants ("2006 Warrants") to the 2006 Purchasers, and the parties also entered into a security agreement (the "2006 Security Agreement") pursuant to which the Company agreed to grant the 2006 Purchasers, pari passu, a security interest in substantially all of the Company's assets.

Pursuant to the terms of the 2006 Purchase Agreement, the Company issued the 2006 Debentures in an aggregate principal amount of $1,694,250 to the 2006 Purchasers. The 2006 Debentures are subject to an original issue discount of 20.318% resulting in proceeds to the Company of $1,350,000 from the transaction. The 2006 Debentures were due on October 25, 2008. The 2006 Debentures are convertible, at the option of the 2006 Purchasers, at any time prior to payment in full, into shares of common stock of the Company. As a result of the full ratchet anti-dilution provision the current conversion price is the lesser of $120.00 or 60% of the average of the lowest three trading prices occurring at any time during the 20 trading days preceding conversion (the "2006 Conversion Price"). Beginning on the first of the month beginning February 1, 2007, the Company was required to amortize the 2006 Debentures in equal installments on a monthly basis resulting in a complete repayment by the maturity date (the "Monthly Redemption Amounts"). The Monthly Redemption Amounts could have been paid in cash or in shares, subject to certain restrictions. If the Company chose to make any Monthly Redemption Amount payment in shares of common stock, the price per share would have been the lesser of the Conversion Price then in effect and 85% of the weighted average price for the 10-trading days prior to the due date of the Monthly Redemption Amount. The Company did not make any of the required monthly redemption payments.

Pursuant to the provisions of the 2006 Debentures, such non-payment was an event of default and penalty interest has accrued on the unpaid redemption balance at an interest rate equal to the lower of 18% per annum and the maximum rate permitted by applicable law. In addition, each of the 2006 Purchasers has the right to accelerate the cash repayment of at least 130% of the outstanding principal amount of the 2006 Debenture (plus accrued but unpaid liquidated damages and interest) and to sell substantially all of the Company's assets pursuant to the provisions of the 2006 Security Agreement to satisfy any such unpaid balance.

The Company and Bristol entered into a Forbearance Agreement on December 3, 2015, pursuant to which Bristol agreed to refrain and forbear from exercising certain rights and remedies with respect the 2006 Debentures for three months. In exchange for the Forbearance Agreement, the Company issued an allonge in the amount of $350,000 increasing the principal amount of the 2006 Debentures.

During the six months ended June 30, 2017 the Company converted a total of $45,000 of the 2006 Debentures into common stock of the Company. As of June 30, 2017, the balance of the 2006 Debentures is $844,000.

Convertible debentures

From October 2009 to September 2016, the Company has entered into multiple convertible debenture arrangements with several accredited investors ("Convertible Debentures"). Interest on the Convertible Debentures ranges for 0% to 18% with a default rate of 18%. The Convertible Debentures are either two year or six month notes.

The conversion price of the Convertible Debentures is subject to full ratchet anti-dilution adjustment in the event that the Company thereafter issues common stock or common stock equivalents at a price per share less than the conversion price or the exercise price, respectively, and to other normal and customary anti-dilution adjustment upon certain other events. As a result of the full ratchet anti-dilution provision, the current conversion price is the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company and the default conversion price is 65% of the average of the lowest three trading prices occurring at any time during the 20 trading days preceding conversion.

The holders of the Convertible Debentures have contractually agreed to restrict their ability to convert their Convertible Debentures and receive shares of our common stock such that the number of shares of the Company common stock held by holders and its affiliates after such conversion or exercise does not exceed 4.9% or 9.9% of the Company's then issued and outstanding shares of common stock.

Note Agreement	Balance at June 30, 2017	Balance at December 31, 2016
2009 Debentures	$ 305,000	$ 305,000
June 2011 Debentures	45,000	64,000
November 2011 Debentures	125,000	125,000
March 2012 Debentures	40,000	140,000
May 2012 Debentures	95,000	225,000
December 2012 Debentures	390,000	425,000
November 2013 Debentures	149,000	172,000
July 2014 Debentures	2,590,000	3,140,000
October 2014 Debentures	1,221,000	1,250,000
March 2015 Debentures	1,689,000	2,175,000
July 2015 Debentures	500,000	500,000
October 2015 Debentures	300,000	330,000
November 2015 Debentures	150,000	190,000
December 2015 Debentures	200,000	200,000
January 2016 Debentures	-	150,000
May 2016 Debentures	1,503,000	1,503,000
September 2016 Debentures	225,000	250,000
January 2017 Debentures	924,000	-
March 2017 Debentures	232,000	
April 2017 Debentures	195,000	-
Total convertible debentures	$ 10,878,000	$ 11,144,000
Less: discount	(215,000)	(794,000)
Total convertible debentures, net of discount	$ 10,663,000	$ 10,350,000
Total short term convertible debentures, net of discount	$ 10,663,000	$ 10,350,000

Settlement Note Payable

On August 8, 2012, a Settlement Agreement and Mutual General Release ("Agreement") was made by and between OXIS and Bristol Investment Fund, Ltd., in order to settle certain claims regarding certain convertible debentures held by Bristol.

Pursuant to the Agreement, OXIS shall pay Bristol (half of which payment would redound to Theorem Capital LLC ("Theorem")) a total of $1,119,778 as payment in full for the losses suffered and all costs incurred by Bristol in connection with the Transaction. Payment of such $1,119,778 shall be made as follows: OXIS shall issue restricted common stock to each of Bristol and Theorem, in an amount such that each Bristol and Theorem shall hold no more than 9.99% of the outstanding shares of OXIS (including any shares that each may hold as of the date of issuance). The shares so issued represent $417,475.65 of the $1,119,778 payment (371 shares at $1,125.00 per share, of which 122 will be retained by Bristol and 249 will be issued to Theorem). The remaining balance of the payment shall be made in the form of two convertible promissory notes in the respective amounts of $422,357.75 for Bristol and $279,944.60 for Theorem (collectively, the "Notes") with a maturity of December 1, 2017 having an 8% annual interest rate, with interest only accruing until January 1, 2013, and then level payments of $3,750 each beginning January 1, 2013 until paid in full on December 1, 2017. In the event a default in the monthly payments on the Notes has occurred and is continuing each holder of the Notes shall be permitted to convert the unpaid principal and interest of the Notes into shares of OXIS at $15 per share. In the absence of such continuing default no conversion of the Notes will be permitted. OXIS will have the right to repay the Notes in full at any time without penalty. This settlement note payable is currently in default and has a balance of $691,000 as of June 30, 2017.

Demand Notes

On February 7, 2011 the Company entered into a convertible demand promissory note with Bristol pursuant to which Bristol purchased an aggregate principal amount of $31,375 of convertible demand promissory notes for an aggregate purchase price of $25,000 (the "February 2011 Bristol Note"). The February 2011 Bristol Note is convertible into shares of common stock of the Company at a price equal to the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company. During the quarter ended March 31, 2017 the Company converted the entire balance of $31,375 into common stock of the Company.

On March 4, 2011 the Company entered into a convertible demand promissory note with Bristol pursuant to which Bristol purchased an aggregate principal amount of $31,375 of convertible demand promissory notes for an aggregate purchase price of $25,000 (the "March 2011 Bristol Note"). The March 2011 Bristol Note is convertible at the option of the holder at any time into shares of common stock, at a price equal to the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company. During the quarter ended March 31, 2017 the Company converted the entire balance of $31,375 into common stock of the Company.

On October 26, 2011 the Company entered into a convertible demand promissory note with Theorem pursuant to which Theorem purchased an aggregate principal amount of $200,000 of convertible demand promissory notes for an aggregate purchase price of $157,217 (the "October 2011 Theorem Note"). The October 2011 Theorem Note is convertible into shares of common stock of the Company, at a price equal to the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company. During the quarter ended March 31, 2017 the Company converted the entire balance of $200,000 into common stock of the Company.

In December, 2013, the Company entered into a convertible demand promissory note with an initial principal balance of $189,662 convertible at a price equal to the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company.

Financing Agreement

On November 8, 2010, the Company entered into a financing arrangement with Gemini Pharmaceuticals, Inc., a product development and manufacturing partner of the Company, pursuant to which Gemini Pharmaceuticals made a $250,000 strategic equity investment in the Company and agreed to make a $750,000 purchase order line of credit facility available to the Company. The outstanding principal of all Advances under the Line of Credit will bear interest at the rate of interest of prime plus 2 percent per annum. There is $31,000 due on this credit line at June 30, 2017.

3. Stockholders' Equity

Common Stock

During the six months ended June 30, 2017 the Registrant has issued a total of 418,448 shares of common stock to a total of eleven entities or individuals in exchange for the cancellation of debt in the total amount of $2,025,000 and interest in the total amount of $486,000.

The Registrant also issued 1,944 shares of common stock to one entity upon the exercise of warrants on a cashless basis.

Preferred Stock

On January 8, 2016, the Company entered into an Exchange Agreement with certain investors together holding 25,000 shares of Series H Preferred Stock and 1,666,667 shares of Series I Preferred Stock have agreed to convert all such shares of Preferred Stock into an aggregate of 4.9% of the fully diluted shares of Common Stock upon successful completion by the Company of a $6 million financing.

4. Stock Options and Warrants

Stock Options

Following is a summary of the stock option activity:

	Options Outstanding	Weighted Average Exercise Price
Outstanding as of December 31, 2016	1,246	$ 1,428.12
Granted	-	-
Forfeited	-	-
Exercised	-	-
Outstanding as of June 30, 2017	1,246	$ 1,428.12

Warrants

Following is a summary of the warrant activity:

	Warrants Outstanding	Weighted Average Exercise Price
Outstanding as of December 31, 2016	15,550	$ 15.00
Granted	175,968	15.00
Forfeited	-	-
Exercised	(1,944)	15.00
Outstanding as of June 30, 2017	189,574	$ 15.00

6. Subsequent Events

Convertible Notes

In July 2017, the Company entered into a securities purchase agreement with three accredited investors to sell 10% convertible debentures with an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $650,000 and warrants to acquire up to 43,333 shares of the Company's common stock at an exercise price of $15.00 per share.

Stock Split

In July 2017, the Company approved a one for three hundred reverse stock split. The Company has reported the effect of the split retroactively for all periods presented.

Common Shares

In July 2017, the Company amended its articles of incorporation to change the number of authorized common shares to 750,000,000 shares of $.001 par value stock.

Agreements

Oxis International, Inc. has engaged EMLL Group, LLC to provide public relations/investor relations services to Oxis for a six month period beginning on July 17, 2017. EMLL Group, LLC will provide exposure and communications of Oxis corporate plans and developments to current and potential investors.

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 the Form 10-Q are forward-looking statements about what may happen in the future. 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 the Form 10-Q 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," "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 "Item 1A: Risk Factors" and "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, 2016. 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 "OXIS," "we," "us," "our," "the company" and "our company" refer to GT Biopharma, Inc., a Delaware corporation formerly known as DDI Pharmaceuticals, Inc., Diagnostic Data, Inc and Oxis International, Inc, together with our subsidiaries.

Overview

GT Biopharma, Inc., through its wholly owned subsidiary Oxis Biotech, Inc, is an immuno-oncology company with a robust technology platform consisting of bispecific and trispecific scFv constructs, full-length antibodies, proprietary drug payloads, proprietary antibody-drug linkers, dual-drug payload antibody-drug conjugates (ADCs), bispecific targeted ADCs, and NK cell and T-cell antibody directed cell-mediated cytotoxic (ADDCs) agents.

OXS-1550

OXS-1550 is a bispecific scFv recombinant fusion protein-drug conjugate composed of the variable regions of the heavy and light chains of anti-CD19 and anti-CD22 antibodies and a modified form of diphtheria toxin as its cytotoxic drug payload. CD19 is a membrane glycoprotein present on the surface of all stages of B-lymphocyte development, and is also expressed on most B-cell mature lymphoma cells and leukemia cells. CD22 is a glycoprotein expressed on B-lineage lymphoid precursors, including precursor acute lymphoblastic leukemia, and often is co-expressed with CD19 on mature B-cell malignancies such as lymphoma.

OXS-1550 targets cancer cells expressing the CD19 receptor or CD22 receptor or both receptors. When OXS-1550 binds to cancer cells, the cancer cells internalize OXS-1550, and are killed due to the action of drug's cytotoxic diphtheria toxin payload. OXS-1550 has demonstrated success in a Phase 1 human clinical trial in patients with relapsed/refractory B-cell lymphoma or leukemia.

Oxis began enrolling patients in a Phase 1/Phase 2 trial of OXS-1550 during the second quarter of 2016. The FDA-approved clinical trial is being conducted at the University of Minnesota's Masonic Cancer Center. There are currently 32 patients who have participated in the clinical trial. The six new patients bring to 32 the number of patients who have participated in the clinical trial. All the new patients are given an approved increased dosage of OXS-1550.

Oxis began enrolling patients in Phase 2 trial of OXS-1550 during the first quarter of 2017. at the University of Minnesota's Masonic Cancer Center. The first patient began dosing in April 2017.

OXS-4235, p62/SQSTM1 (Sequestosome-1) Inhibitor Drug Development Program

In humans, the p62/SQSTM1 protein is encoded by the SQSTM1 gene. The p62/SQSTM1 protein is a multifunctional protein involved in autophagy, cell signaling, tumorigenesis, and plays an important role at the crossroad between autophagy and cancer. Cell-cell interactions between multiple myeloma cells and bone marrow stromal cells activate signaling pathways that result in enhanced multiple myeloma cell growth, osteoclast formation, and inhibition of osteoblast differentiation.

Multiple myeloma remains an incurable malignancy with systematic morbidity and a median survival of 3-5 years. Multiple myeloma is characterized by aberrant proliferation of terminally differentiated plasma cells and impairment in apoptosis capacity. Due to the interactions between myeloma cells and cells of the bone marrow microenvironment, the osteolytic bone disease associated with myeloma is inextricably linked with tumor progression. High incidence of bone metastasis in multiple myeloma patients is frequently associated with severe bone pain and pathological bone fracture. Activated osteoclast levels and suppressed osteoblast levels are thought to play a role in multiple myeloma associated osteolytic bone disease.

While a diverse spectrum of novel agents has shown therapeutic potential for the treatment of multiple myeloma including bortezomib, lenalidomide and arsenic trioxide, high relapse rates and drug resistance continue to plague these therapies. Thus, novel targets and new therapeutics for the treatment of multiple myeloma are of critical importance for improved patient outcomes.

It has been demonstrated that the ZZ domain of the p62/SQSTM1 protein is responsible for increased multiple myeloma cell growth and associated osteoclast mediated bone disease. Dr. Xiang-Qun Xie and colleagues at ID4 Pharma LLC have developed novel chemical compounds (e.g., OXS-4235) which inhibit osteoclastic bone destruction in multiple myeloma. Oxis Biotech has exclusively licensed rights to OXS-4235 and other compounds for the treatment of multiple myeloma and associated osteolytic bone disease.

U.S. Patent and Trademark Office approved and issued Patent No. 9,580,382 for drug candidate OXIS-4235 for the treatment of myeloma in July 2017.

OXS-2175, Triple-Negative Breast Cancer Drug Development Program

OXS-2175 is a small molecule therapeutic candidate which has shown promise in early-stage preclinical *in vitro* and *in vivo* models of triple-negative breast cancer. Oxis Biotech is investigating OXS-2175 formulated as an ADC therapy for the treatment of triple-negative breast cancer.

Therapeutic Antibody-Drug Conjugates Drug Development Program

Antibody-drug conjugates (ADCs) are a new class of highly potent biopharmaceutical drugs designed as a targeted therapy for the treatment of cancer. By combining the unique targeting capabilities of monoclonal antibodies with the cancer-killing ability of cytotoxic drugs, antibody-drug conjugates allow sensitive discrimination between healthy and diseased tissue.

Recent Developments

TriKE Agreements

In March 2017, we entered a new one-year Sponsored Research Agreement with the University of Minnesota. The purpose of this agreement is to determine toxicities and in vivo behavior in our Trispecific Killer Engager (TriKE) technology licensed by Oxis from the University of Minnesota.

In June 2017, we entered into a co-development partnership agreement with Altor BioScience Corp. in which the companies will collaborate exclusively in the clinical development of a novel 161533 TriKE fusion protein for cancer therapies using Oxis' trispecific killer engager (TriKE) technology.

Financing

In January 2017, the Company entered into a securities purchase agreement with eight accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $633,593 and warrants to acquire up to 42,239 shares of the Company's common stock at an exercise price of $15.00 per share.

In March 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $232,313 and warrants to acquire up to 15,487 shares of the Company's common stock at an exercise price of $15.00 per share.

In April 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $70,000 and warrants to acquire up to 4,666 shares of the Company's common stock at an exercise price of $15.00 per share.

In May 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $125,000 and warrants to acquire up to 8,333 shares of the Company's common stock at an exercise price of $15.00 per share.

In July 2017, the Company entered into a securities purchase agreement with three accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $650,000 and warrants to acquire up to 43,333 shares of the Company's common stock at an exercise price of $15.00 per share.

Letter of Intent

In July 2017 the Company announced that the it agreed to acquire Georgetown Translational Pharmaceuticals, Inc. (GTP) and hire a new Chief Executive Officer and Chief Medical Officer. The Company has agreed to pay 33 percent of its outstanding shares to GTP to complete the transaction, which is expected to close on or before 90 days as per the agreement. GTP is a privately-owned biotechnology company focused on acquiring or discovering and patenting late-stage, de-risked, and close-to-market improved treatments for CNS disease (Neurology and Pain) and shepherding the products through the FDA approval process to the NDA. GTP products currently include treatment for neuropathic pain, refractory epilepsies, the symptoms of myasthenia gravis, and motion sickness.

Results of Operations

Comparison of the Three Months Ended June 30, 2017 and 2016

Research and Development Expenses

During the three months ended June 30, 2017 and 2016, we incurred $241,000 and $250,000 of research and development expenses.

Selling, general and administrative expenses

During the three months ended June 30, 2017 and 2016, we incurred $1,044,000 and $1,871,000 of selling, general and administrative expenses. The decrease in selling, general and administrative expenses is primarily attributable to an decrease in professional fees and stock compensation.

Change in value of warrant and derivative liabilities

During the three months ended June 30, 2017, we recorded a loss as a result of an increase in the fair market value of outstanding warrants and beneficial conversion features of $367,000, compared to a gain of $5,263,000 during the three months ended June 31, 2016. We recorded a loss as a result of an increase in the fair market value of outstanding debt and equity securities accounted for as derivative liabilities.

Interest Expense

Interest expense was $1,178,000 and $1,599,000 for the three months ended June 30, 2017 and 2016 respectively. The increase is primarily due to an increase in the non-cash amortization of the debt issuance costs associated with the convertible debentures and demand notes payable.

Comparison of the Six Months Ended June 30, 2017 and 2016

Research and Development Expenses

During the six months ended June 30, 2017 and 2016, we incurred $385,000 and $475,000 of research and development expenses.

Selling, general and administrative expenses

During the six months ended June 30, 2017 and 2016, we incurred $2,438,000 and $5,547,000 of selling, general and administrative expenses. The decrease in selling, general and administrative expenses is primarily attributable to an decrease in professional fees and stock compensation.

Change in value of warrant and derivative liabilities

During the six months ended June 30, 2017, we recorded a gain as a result of a decrease in the fair market value of outstanding warrants and beneficial conversion features of $2,376,000, compared to a gain of $36,759,000 during the six months ended June 31, 2016. We recorded a gain as a result of a decrease in the fair market value of outstanding debt and equity securities accounted for as derivative liabilities.

Interest Expense

Interest expense was $4,698,000 and $3,245,000 for the six months ended June 30, 2017 and 2016 respectively. The increase is primarily due to an increase in the non-cash amortization of the debt issuance costs associated with the convertible debentures and demand notes payable.

Liquidity and Capital Resources

As of June 30, 2017, we had cash and cash equivalents of $39,000. This cash and cash equivalents is in part the result of the proceeds from borrowings in 2017. On the same day we had total current assets of $39,000, and a working capital deficit of $20,087,000. Based upon the cash position, it is necessary to raise additional capital by the end of the next quarter in order to continue to fund current operations. The Company is pursuing several alternatives to address this situation, including the raising of additional funding through equity or debt financings. In order to finance existing operations and pay current liabilities over the next twelve months, the Company will need to raise approximately $4-5 million of capital.

During the six months ending June 30, 2017, the Company entered into convertible debentures totaling $1,351,000.

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 Consolidation

The consolidated financial statements contained in this report include the accounts of GT Biopharma, Inc. and its subsidiaries. All intercompany balances and transactions have been eliminated.

Revenue Recognition

Product Revenue

The Company manufactures, or has manufactured on a contract basis, fine chemicals and nutraceutical products, which are its primary products to be sold to customers. Revenue from the sale of its products, including shipping fees, will be recognized when title to the products is transferred to the customer which usually occurs upon shipment or delivery, depending upon the terms of the sales order and when collectability is reasonably assured. Revenue from sales to distributors of its products will be recognized, net of allowances, upon delivery of product to the distributors. According to the terms of individual distributor contracts, a distributor may return product up to a maximum amount and under certain conditions contained in its contract. Allowances are calculated based upon historical data, current economic conditions and the underlying contractual terms.

License Revenue

License arrangements may consist of non-refundable upfront license fees and various performance or sales milestones and future product royalty payments. Some of these arrangements are multiple element arrangements. Non-refundable, up-front fees that are not contingent on any future performance by us, and require no consequential continuing involvement on our part, are recognized as revenue when the license term commences and the licensed data, technology and/or compound is delivered. We defer recognition of non-refundable upfront fees if we have continuing performance obligations without which the technology, right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of our performance under the other elements of the arrangement. In addition, if we have continuing involvement through research and development services that are required because our know-how and expertise related to the technology is proprietary to us, or can only be performed by us, then such up-front fees are deferred and recognized over the period of continuing involvement.

Long-Lived Assets

Our long-lived assets include property, plant and equipment, capitalized costs of filing patent applications and goodwill and other assets. We evaluate our long-lived assets for impairment in accordance with ASC 360, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Estimates of future cash flows and timing of events for evaluating long-lived assets for impairment are based upon management's judgment. If any of our intangible or long-lived assets are considered to be impaired, the amount of impairment to be recognized is the excess of the carrying amount of the assets over its fair value.

Applicable long-lived assets are amortized or depreciated over the shorter of their estimated useful lives, the estimated period that the assets will generate revenue, or the statutory or contractual term in the case of patents. Estimates of useful lives and periods of expected revenue generation are reviewed periodically for appropriateness and are based upon management's judgment. Goodwill and other assets are not amortized.

Certain Expenses and Liabilities

On an ongoing basis, management evaluates its estimates related to certain expenses and accrued liabilities. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates under different assumptions or conditions.

Derivative Financial Instruments

During the normal course of business, from time to time, we issue warrants as part of a debt or equity financing. We do not enter into any derivative contracts for speculative purposes. We recognize all derivatives as assets or liabilities measured at fair value with changes in fair value of derivatives reflected as current period income or loss unless the derivatives qualify for hedge accounting and are accounted for as such. During the six months ended June 30, 2017 and 2016, we issued warrants to purchase 175,968 and 11,584 shares of common stock, respectively, in connection with equity transactions. In accordance with ASC Topic 815-40, "Derivatives and Hedging — Contracts in Entity's Own Stock" ("ASC 815-40"), the value of these warrants is required to be recorded as a liability, as the holders have an option to put the warrants back to us in certain events, as defined.

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 June 30, 2017.

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 by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial 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 June 30, 2017. Based on that evaluation we have concluded that our disclosure controls and procedures were not effective as of June 30, 2017.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, a company's principal executive and principal financial officers and effected by a company's board of directors, management and other personnel, 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 and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations and can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

As of June 30, 2017, management of the company conducted an assessment of the effectiveness of the company's internal control over financial reporting. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework. In the course of the assessment, material weaknesses were identified in the company's internal control over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Management determined that fundamental elements of an effective control environment were missing or inadequate as of June 30, 2017. The most significant issues identified were: 1) lack of segregation of duties due to very small staff and significant reliance on outside consultants, and 2) risks of executive override also due to lack of established policies, and small employee staff. Based on the material weaknesses identified above, management has concluded that internal control over financial reporting was not effective as of June 30, 2017. As the company's operations increase, the company intends to hire additional employees in its accounting department.

Changes in Internal Control over Financial Reporting

Other than as described 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

In May, 2015, Aaion Partners Inc, a consulting firm, filed a breach of contract action against the Company in the Superior Court of California County of Los Angeles, Case No: BC581098. The lawsuit sought payment under a consulting agreement. In July, 2015, the Company filed a cross-claim against Aaion Partners Inc. for breach of contract and tort claims. In December 2015, we settled this claim for $150,000 to be made in three cash payments and 11,429 shares of restricted common stock. The Company paid $50,000 of the cash due and issued the stock owed. The remaining two payments were not made timely but settlement was finally and fully resolved upon payment by the Company of an additional $132,231. The case was then dismissed in January 2017.

On June 23, 2016, the Company was served with a complaint filed in the Circuit Court of the 13th Judicial Circuit in and for Hillsborough County, FL, Case No. 16-CA-004791. Suit was brought against the Company by Lippert/Heilshorn and Associates, Inc. who is alleging they are owed compensation for consulting services provided to the company. They are seeking payment of $73,898. The Company has engaged legal counsel to answer the complaint.

On or immediately before February 15, 2017, MultiCell Immunotherapeutics filed an arbitration proceeding against the Company with the American Health Lawyers Association, Claim #3821. In its statement of claim, MultiCell is seeking $207,783 plus interest and costs of arbitration pursuant to alleged contract rights against the Company under a research agreement between the parties. The Company has entered its appearance and is preparing its answer to the statement of claim.

Item 1A. Risk Factors

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 by this Item.

Item 2. Unregistered Sales of Securities and Use of Proceeds

In January 2017, the Company entered into a securities purchase agreement with eight accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $633,593 and warrants to acquire up to 42,240 shares of the Company's common stock at an exercise price of $15.00 per share.

In March 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $232,313 and warrants to acquire up to 15,487 shares of the Company's common stock at an exercise price of $15.00 per share.

In April 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $70,000 and warrants to acquire up to 46,666 shares of the Company's common stock at an exercise price of $15.00 per share.

In May 2017, the Company entered into a securities purchase agreement with two accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $125,000 and warrants to acquire up to 8,333 shares of the Company's common stock at an exercise price of $15.00 per share.

In July 2017, the Company entered into a securities purchase agreement with one accredited investors to sell 10% convertible debentures with and an exercise price of the lesser of (i) $15.00 or (ii) the average of the three (3) lowest intra-day trading prices of the Common Stock during the 20 Trading Days immediately prior to the date on which the Notice of Conversion is delivered to the Company, with an initial principal balance of $650,000 and warrants to acquire up to 43,333 shares of the Company's common stock at an exercise price of $15.00 per share.

These convertible debentures were also exempt from the registration requirements of Section 5 of the Act pursuant to Section 4(2) of the Act since the shares were also issued to persons closely associated with the Company and there was no public offering of the shares.

Item 3. Defaults Upon Senior Securities.

There have been no material changes from the disclosure provided in Part I, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2016.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information.

None.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
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.
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14 and Rule 15d 14(a), promulgated under the Securities and Exchange Act of 1934, as amended.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).
10.1	License Agreement with ID4 Pharma LLC
10.2	License Agreement with MultiCell Immunotherapeutics, Inc.
10.3	License Agreement with the University of Minnesota
10.4	License Agreement with Daniel A. Vallera, Ph.D.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Extension Presentation Linkbase

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: August 11, 2017

By: /s/ Anthony J. Cataldo
Anthony J. Cataldo
Chief Executive Officer and Chairman of the Board

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Position	Date
/s/ Anthony J. Cataldo Anthony J. Cataldo	Chairman of the Board, Chief Executive Officer and President of Oxis Biotech	August 11, 2017
/s/ Steven Weldon Steven Weldon	Chief Financial Officer (Principal Accounting Officer), President and Director	August 11, 2017

Exhibit 10.1

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement") dated as of December 31, 2014 (the "Effective Date"), is entered into between ID4 Pharma, LLC ("ID4"), a having a place of business at 1654 Settlers Drive, Sewickley, PA 15143, and Oxis Biotech, Inc., a Delaware corporation ("Company"), having a place of business at 1402 North Beverly Drive, Beverly Hills, CA 90210 .

WHEREAS, ID4 owns or has rights in the Technology (as defined below).

WHEREAS, Company desires to obtain an exclusive license under ID4's rights in the Technology on the terms and conditions set forth below.

WHEREAS, Xiangqun Xie, Ph.D. and Company have entered into a Consulting Agreement dated December 31, 2014 (attached hereto as Schedule C).

WHEREAS, Xiangqun Xie, Ph.D. and Company have entered into a Confidentiality Agreement dated December 31, 2014 (attached hereto as Schedule D).

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the parties hereby agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the terms defined in this Section 1 shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever.

1.2 "Competent Authority(ies)" or "Competent Regulatory Authority(ies)" shall mean, collectively, (a) the governmental entities in each country or supranational organization that is responsible for the regulation of any Product intended for use in the Field or the establishment, maintenance and/or protection of rights related to the Licensed IP Rights (including the FDA, the EMEA and the MHLW), or (b) any other applicable regulatory or administrative agency in any country or supranational organization that is comparable to, or a counterpart of, the foregoing.

1.3 "EMEA" shall mean the European Agency for the Evaluation of Medicinal Products of the European Union, or the successor thereto.

1.4 "FDA" shall mean the Food and Drug Administration of the United States, or the successor thereto.

1.5 "Field" shall mean compounds and methods for detection, diagnosis, prognosis, monitoring or predisposition testing of any disease, state or condition in humans or other animals..

1.6 "First Commercial Sale" shall mean, with respect to any Product, the first sale of such Product after all applicable marketing and pricing approvals (if any) have been granted by the applicable governing health authority of such country.

1.7 "Licensed IP Rights" shall mean, collectively, the Licensed Patent Rights and the Licensed Know-How Rights.

1.8 "Licensed Know-How Rights" shall mean all trade secret and other know-how rights in and to all data, information, compositions and other technology (including, but not limited to, formulae, procedures, protocols, techniques and results of experimentation and testing) which are necessary or useful for Company to make, use, develop, sell or seek regulatory approval to market a composition, or to practice any method or process, at any time claimed or disclosed in any issued patent or pending patent application within the Licensed Patent Rights or which otherwise relates to the Technology.

1.9 "Licensed Patent Rights" shall mean (a) the patents and patent applications listed on Schedule A hereto, (b) all patents and patent applications in any country of the world that claim or cover the Technology in which ID4 heretofore or hereafter has an ownership or (sub)licensable interest, (c) all divisions, continuations, continuations-in-part, that claim priority to, or common priority with, the patent applications listed in clauses (a) - (b) above or the patent applications that resulted in the patents described in clauses (a) - (b) above, and (d) all patents that have issued or in the future issue from any of the foregoing patent applications, including utility, model and design patents and certificates of invention, together with any reissues, renewals, extensions or additions thereto.

1.10 "NDA" shall mean a New Drug Application, or similar application for marketing approval of a Product for use in the Field submitted to the FDA, or its foreign equivalent.

1.11 "Net Sales" shall mean, with respect to any Product, the gross sales price of such Product invoiced by Company or its Affiliate to customers who are not Affiliates (or are Affiliates but are the end users of such Product) less, to the extent actually paid or accrued by Company or its Affiliate (as applicable), (a) credits, allowances, discounts and rebates to, and chargebacks from the account of, such customers for nonconforming, damaged, out-dated and returned Product; (b) freight and insurance costs incurred by Company or its Affiliate (as applicable) in transporting such Product to such customers; (c) cash, quantity and trade discounts, rebates and other price reductions for such Product given to such customers under price reduction programs; (d) sales, use, value-added and other direct taxes incurred on the sale of such Product to such customers; (e) customs duties, tariffs, surcharges and other governmental charges incurred in exporting or importing such Product to such customers; (f) sales commissions incurred on the sale of such Product to such customers; and (g) an allowance for uncollectible or bad debts determined in accordance with generally accepted accounting principles.

1.12 "Net Sublicensing Revenues" shall mean, with respect to any Product, the aggregate cash consideration received by Company or its Affiliates in consideration for the sublicense under the Licensed Patent Rights or Licensed Know-How Rights by Company or its Affiliates to a Third Party sublicensee with respect to such Product (including royalties received by Company or its Affiliates based on sales of such Product by such sublicensee, but excluding amounts received to reimburse Company' or its Affiliates' cost to perform research, development or similar services conducted for such Product after signing the agreement with the Third Party, in reimbursement of patent or other out-of-pocket expenses relating to such Product, or in consideration for the purchase of any debt or securities of Company or its Affiliates).

1.13 "Person" shall mean an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

1.14 "Phase I Clinical Trial" shall mean a human clinical trial that is intended to initially evaluate the safety and/or pharmacological effect of a Product in subjects or that would otherwise satisfy requirements of 21 C.F.R. 312.21(a), or its foreign equivalent.

1.15 "Phase II Clinical Trial" shall mean a human clinical trial in any country that is intended to initially evaluate the effectiveness of a Product for a particular indication or indications in patients with the disease or indication under study or would otherwise satisfy requirements of 21 CFR 312.21(b), or its foreign equivalent.

1.16 "Phase IIa Clinical Trial" shall mean a Phase II Clinical Trial that is solely intended to make a preliminary determination of the effectiveness of a Product for a particular indication or indications in patients with the disease or indication under study.

1.17 "Phase IIb Clinical Trial" shall mean a Phase II Clinical Trial, other than one that is solely intended to make a preliminary determination of the effectiveness of a Product for a particular indication or indications in patients with the disease or indication under study.

1.18 "Phase III Clinical Trial" shall mean a human clinical trial in any country, the results of which could be used to establish safety and efficacy of a Product as a basis for an NDA or would otherwise satisfy requirements of 21 CFR 312.21(c), or its foreign equivalent.

1.19 "Product(s)" shall mean any product for use in the Field that if made, used, sold, offered for sale or imported absent the license granted hereunder would infringe a Valid Claim, or that otherwise uses or incorporates the Licensed Know-How Rights.

1.20 "Registration(s)" shall mean any and all permits, licenses, authorizations, registrations or regulatory approvals (including NDAs) required and/or granted by any Competent Authority as a prerequisite to the development, manufacturing, packaging, marketing and selling of any product.

1.21 "Royalty Term" shall mean, with respect to each Product in each country, the term for which a Valid Claim remains in effect and would be infringed but for the license granted by this Agreement, by the use, offer for sale, sale or import of such Product in such country.

1.22 "Technology" shall mean compounds and uses for treating p62 mediated diseases as described in the Licensed IP Rights.

1.23 "Territory" shall mean worldwide.

1.24 "Third Party" shall mean any Person other than ID4, Company and their respective Affiliates.

1.25 "Valid Claim" shall mean a claim of an issued and unexpired patent included within the Licensed Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

2. REPRESENTATIONS AND WARRANTIES

2.1 Mutual Representations and Warranties. Each party hereby represents and warrants to the other party as follows:

2.1.1 Such party is an individual or corporation duly organized, validly existing and in good standing under the laws of the state in which it is incorporated.

2.1.2 Such party (a) has the power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2 ID4 Representations and Warranties. ID4 hereby represents and warrants to Company as follows:

2.2.1 ID4 (a) is the owner or exclusive licensee of the Licensed IP Rights and has the sole right to execute this Agreement on behalf of the other co-owner/inventors as evidenced by Schedule B, and has not granted to any Third Party any license or other interest in the Licensed IP Rights, (b) is not aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in the Licensed Patent Rights or which constitutes Licensed Know-How Rights, or (ii) by making, using or selling Products, and (c) is not aware of any infringement or misappropriation by a Third Party of the Licensed IP Rights.

3. LICENSE GRANT

3.1 Licensed IP Rights. ID4 hereby grants to Company an exclusive license (with the right to grant sublicenses) under the Licensed IP Rights to conduct research and to develop, make, have made, use, offer for sale, sell and import Products in the Territory for use in the Field.

3.2 Sublicenses. ID4 grants to Company the right to grant sublicenses to third parties, provided that (i) the Sublicensee agrees to abide by all the terms and provisions of this Agreement; (ii) Company remains fully liable for the performance of its and its Sublicensee's obligations hereunder; and (iii) Company notifies ID4 of any grant of a sublicense and provide to ID4 upon ID4 request a copy of any sublicense agreement.

3.3 Availability of the Licensed IP Rights. ID4 shall provide Company with a copy of all information available to ID4 relating to the Licensed IP Rights, Products or Technology, including without limitation: (a) regulatory submissions, (b) communications with the Competent Authorities (including the minutes of any meetings), (c) trial master files, including case report forms, (d) listings and tables of results from the clinical trials, (e) treatment-related serious adverse event reports from the clinical trials, (f) storage of and access permission to any retained samples of materials used in clinical trials, and (g) access to CROs involved in the clinical trials.

3.4 Registrations. ID4 acknowledges and agrees that Company shall own all Registrations for Products for use in the Field in each country in the Territory. Additionally, ID4 acknowledges and agrees that Company shall have the right to conduct pre-clinical and clinical development activities outside of the Territory. ID4 hereby grants to Company a free-of-charge right to reference and use and have full access to all other Registrations and all other regulatory documents that relate to the Licensed IP Rights, Products or Technology, including INDs, BLAs, NDAs and DMFs (whether as an independent document or as part of any NDA, and all chemistry, manufacturing and controls information), and any supplements, amendments or updates to the foregoing (for the purposes of this Section, the "Right of Reference"). Company shall have the right to (sub)license the Right of Reference to its sublicensees and Affiliates.

3.5 Access to Manufacturers. ID4 shall use his commercially reasonable efforts to provide access to Company to any suppliers of the API form of any Product for use in the Field on terms and conditions no less favorable than those terms and conditions between ID4 and such supplier.

4. FINANCIAL CONSIDERATIONS

4.1 Royalties.

4.1.1 Royalty Rate. During the applicable Royalty Term for a Product, subject to the terms and conditions of this Agreement, Company shall pay to ID4 royalties, with respect to each Product, equal to (a) THREE percent (3%) of Net Sales of such Product by Company and its Affiliates, and (b) TWENTY-FIVE percent (25%) of Net Sublicensing Revenues for such Product. Only one royalty shall be owing for a Product regardless of how many Valid Claims cover such Product for the life of the last to expire Patent in a country having Valid Claim.

4.1.2 Third Party Royalties. If Company, its Affiliates or sublicensees is required to pay royalties to any Third Party in order to exercise its rights hereunder to make, have made, use, sell, offer to sale or import any Product, then Company shall have the right to credit one percent (1%) of such Third Party royalty payments against the royalties owing to ID4 under Section 4.1.1 above with respect to sales of such Product in such country; provided, however, that Company shall not reduce the amount of the royalties paid to ID4 under Section 4.1.1 above by reason of this Section 4.1.2, with respect to sales of such Product in such country, to less than one percent (1%) of Net Sales of such Product in such country. In consideration of the right to sublicense third parties granted under Section 3.2, Company shall pay to ID4 ten percent (10%) of all royalties received by Company from its Sublicensees if the sublicense is executed on or before the first anniversary of the Effective Date of the License Agreement signed between the parties, and ten percent (10%) of all royalties received by Company from its Sublicensees if the Sublicense is executed thereafter. In no event, however, shall Company pay ID4 less than the amount which would have been due under Section 4.1.2 of this Agreement in the absence of a sublicense.

4.2 Diligence Fee. A good faith diligence fee of TWENTY FIVE THOUSAND dollars ($25,000.00) paid upon the execution of the Letter of Intent (Schedule C). Said good faith diligence fee shall be credited against any monies owed by Company to ID4 as a result of the parties executing this License Agreement.

4.3 License Fee. Company shall pay ID4 a non-refundable license fee of SEVENTY FIVE THOUSAND dollars ($75,000.00) which shall be payable upon execution of this Agreement.

4.4 Milestones. Company shall pay to ID4 the following milestone payment within thirty (30) days following the first achievement of the applicable milestone:

(i) FIFTY THOUSAND dollars ($50,000.00) due upon filing of an investigational new drug application with a competent regulatory authority anywhere in the world.

(ii) FIFTY THUOSAND dollars ($50,000.00) due upon initiation of the first Phase 1 human clinical trial anywhere in the world.

(iii) ONE HUNDRED THOUSAND dollars ($100,000.00) due upon initiation of the first Phase 2 human clinical trial anywhere in the world.

(iv) TWO HUNDRED FIFTY THOUSAND dollars ($250,000.00) due upon initiation of the first Phase 3 human clinical trial anywhere in the world.

(v) TWO HUNDRED FIFTY THOUSAND dollars ($250,000.00) due upon receipt of the first marketing approval from a competent regulatory authority anywhere in the world.

5. ROYALTY REPORTS AND ACCOUNTING

5.1 Royalty Reports. Within sixty (60) days after the end of each calendar quarter during the term of this Agreement following first to occur of the First Commercial Sale of a Product and the receipt by Company or its Affiliates of Net Sublicensing Revenues, Company shall furnish to ID4 a quarterly written report showing in reasonably specific detail (a) the calculation of Net Sales during such calendar quarter; (b) the calculation of Net Sublicensing Revenues for such quarter; (c) the calculation of the royalties, if any, that shall have accrued based upon such Net Sales and Net Sublicensing Revenues; (d) the withholding taxes, if any, required by law to be deducted with respect to such sales; and (e) the exchange rates, if any, used in determining the amount of United States dollars. With respect to sales of Products invoiced in United States dollars, the gross sales, Net Sales and royalties payable shall be expressed in United States dollars. With respect to (i) Net Sales invoiced in a currency other than United States dollars and (ii) cash consideration paid in a currency other than United States dollars by Company's sublicensees hereunder, all such amounts shall be expressed both in the currency in which the distribution is invoiced and in the United States dollar equivalent. The United States dollar equivalent shall be calculated using the average of the exchange rate (local currency per US$1) published in The Wall Street Journal, Western Edition, under the heading "Currency Trading" on the last business day of each month during the applicable calendar quarter.

5.2 Audits.

5.2.1 Upon the written request of ID4 and not more than once in each calendar year, Company shall permit an independent certified public accounting firm of nationally recognized standing selected by ID4 and reasonably acceptable to Company, at ID4's expense, to have access during normal business hours to such of the financial records of Company as may be reasonably necessary to verify the accuracy of the payment reports hereunder for the eight (8) calendar quarters immediately prior to the date of such request (other than records for which ID4 has already conducted an audit under this Section.

5.2.2 If such accounting firm concludes that additional amounts were owed during the audited period, Company shall pay such additional amounts within thirty (30) days after the date ID4 delivers to Company such accounting firm's written report so concluding. The fees charged by such accounting firm shall be paid by ID4; provided, however, if the audit discloses that the royalties payable by Company for such period are more than one hundred ten percent (110%) of the royalties actually paid for such period, then Company shall pay the reasonable fees and expenses charged by such accounting firm.

5.2.3 ID4 shall cause its accounting firm to retain all financial information subject to review under this Section 5.2 in strict confidence; provided, however, that Company shall have the right to require that such accounting firm, prior to conducting such audit, enter into an appropriate non-disclosure agreement with Company regarding such financial information. The accounting firm shall disclose to ID4 only whether the reports are correct or not and the amount of any discrepancy. No other information shall be shared. ID4 shall treat all such financial information as Company' Confidential Information.

6. PAYMENTS

6.1 Payment Terms. Royalties shown to have accrued by each royalty report provided for under Section 5 above shall be due on the date such royalty report is due. Payment of royalties in whole or in part may be made in advance of such due date.

6.2 Exchange Control. If at any time legal restrictions prevent the prompt remittance of part or all royalties with respect to any country in the Territory where the Product is sold, Company shall have the right, in its sole discretion, to make such payments by depositing the amount thereof in local currency to ID4's account in a bank or other depository institution in such country. If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country shall be adjusted to the highest legally permissible or government-approved rate.

6.3 Withholding Taxes. Company shall be entitled to deduct the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such amounts, other than United States taxes, payable by Company, its Affiliates or sublicensees, or any taxes required to be withheld by Company, its Affiliates or sublicensees, to the extent Company, its Affiliates or sublicensees pay to the appropriate governmental authority on behalf of ID4 such taxes, levies or charges. Company shall use reasonable efforts to minimize any such taxes, levies or charges required to be withheld on behalf of ID4 by Company, its Affiliates or sublicensees. Company promptly shall deliver to ID4 proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such governmental authority with respect thereto.

7. RESEARCH AND DEVELOPMENT OBLIGATIONS

7.1 Research and Development Efforts. Company shall use its commercially reasonable efforts to conduct such research, development and preclinical and human clinical trials as Company determines are necessary or desirable to obtain regulatory approval to manufacture and market such Products as Company determines are commercially feasible in the Territory, and shall use its commercially reasonable efforts to obtain regulatory approval to market, and following approval to commence marketing and market each such Product in such countries in the Territory as Company determines are commercially feasible.

7.2 Consulting Agreement. ID4 shall use his reasonable efforts in performing the services identified in the Consulting Agreement executed between ID4 and Company on December __, 2014 and attached hereto as Schedule C.

7.3 Records. ID4 and Company shall maintain records, in sufficient detail and in good scientific manner, which shall reflect all work done and results achieved in the performance of its research and development regarding the Products.

7.4 Reports. Within ninety (90) days following the end of each calendar year during the term of this Agreement, ID4 shall prepare and deliver to Company a written summary report which shall describe (a) the research performed to date employing the Licensed IP Rights, (b) the progress of the development, and testing of Products in clinical trials, and (c) the status of obtaining regulatory approvals to market Products.

8. CONFIDENTIALITY

8.1 Confidential Information. Nothing contained in this Agreement shall supersede the confidentiality requirements set forth in the Consulting Agreement and Confidentiality Agreement signed by the parties; each agreement dated December __, 2014 attached hereto as Schedule C and Schedule D, respectively. Said Consulting Agreement and Confidentiality Agreement shall both remain in full force and effect.

9. PATENTS

9.1 Patent Prosecution and Maintenance. Company shall have the right to control, at its sole cost, the preparation, filing, prosecution and maintenance of all patents and patent applications within the Licensed Patent Rights. Company shall give ID4 an opportunity to review and comment on the text of each patent application subject to this Section 9.1 before filing, and shall supply ID4 with a copy of such patent application as filed, together with notice of its filing date and serial number. ID4 shall cooperate with Company, execute all lawful papers and instruments and make all rightful oaths and declarations as may be necessary in the preparation, prosecution and maintenance of all patents and other filings referred to in this Section 9.1. If Company, in its sole discretion, decides to abandon the preparation, filing, prosecution or maintenance of any patent or patent application in the Licensed Patent Rights, then Company shall notify ID4 in writing thereof and following the date of such notice (a) ID4 shall be responsible for and shall control, at its sole cost, the preparation, filing, prosecution and maintenance of such patents and patent applications, and (b) Company shall thereafter have no license under this Agreement to such patent or patent application.

9.2 Notification of Infringement. Each party shall notify the other party of any substantial infringement in the Territory known to such party of any Licensed Patent Rights and shall provide the other party with the available evidence, if any, of such infringement.

9.3 Enforcement of Patent Rights. Company, at its sole expense, shall have the right to determine the appropriate course of action to enforce Licensed Patent Rights or otherwise abate the infringement thereof, to take (or refrain from taking) appropriate action to enforce Licensed Patent Rights, to defend any declaratory judgments seeking to invalidate or hold the Licensed Patent Rights unenforceable, to control any litigation or other enforcement action and to enter into, or permit, the settlement of any such litigation, declaratory judgments or other enforcement action with respect to Licensed Patent Rights, in each case in Company's own name and, if necessary for standing purposes, in the name of ID4 and shall consider, in good faith, the interests of ID4 in so doing. If Company does not, within one hundred twenty (120) days of receipt of notice from ID4, abate the infringement or file suit to enforce the Licensed Patent Rights against at least one infringing party in the Territory, ID4 shall have the right to take whatever action it deems appropriate to enforce the Licensed Patent Rights; provided, however, that, within thirty (30) days after receipt of notice of ID4's intent to file such suit, Company shall have the right to jointly prosecute such suit and to fund up to one-half (½) the costs of such suit. The party controlling any such enforcement action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling party without the prior written consent of the other party. All monies recovered upon the final judgment or settlement of any such suit to enforce the Licensed Patent Rights shall be shared, after reimbursement of expenses, in relation to the damages suffered by each party. If Company does not receive sufficient monies from a final judgment or settlement to cover its expenses for such suit, Company shall have the right to credit up to fifty percent (50%) of such expenses against any royalties or other fees owing by Company pursuant to Section 4 above.

9.4 Cooperation. In any suit to enforce and/or defend the License Patent Rights pursuant to this Section 9, the party not in control of such suit shall, at the request and expense of the controlling party, reasonably cooperate and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

10. TERMINATION

10.1 Expiration. Subject to Sections 10.2 and 10.3 below, this Agreement shall expire on the expiration of Company' obligation to pay royalties to ID4 under Section 4.1 above. The license grant under Section 3.1 shall be effective at all times prior to such expiration and following such expiration of this Agreement (a) Company shall have a fully paid-up, non-exclusive license under the Licensed Know-How Rights to conduct research and to develop, make, have made, use, sell, offer for sale and import Products in the Territory for use in the Field, and (b) Sections 3.5 and 3.6 shall survive.

10.2 Termination by Company. Company may terminate this Agreement, in its sole discretion, upon thirty (30) days prior written notice to ID4. This includes and is not limited to the failure to revive U.S. Patent Application Serial No. 14/237,494 from abandoned status.

10.3 Termination for Cause. Except as otherwise provided in Section 12, ID4 may terminate this Agreement upon or after the breach of any material provision of this Agreement by Company if Company has not cured such breach within ninety (90) days after receipt of express written notice thereof by ID4; provided, however, if any default is not capable of being cured within such ninety (90) day period and Company is diligently undertaking to cure such default as soon as commercially feasible thereafter under the circumstances, ID4 shall have no right to terminate this Agreement.

10.4 Effect of Expiration or Termination. Expiration or termination of this Agreement shall not relieve the parties of any obligation accruing prior to such expiration or termination, and the provisions of Sections 8, 9, 10, 11 and 13 shall survive the expiration or termination of this Agreement. Upon any termination of this Agreement, ID4 shall grant a direct license to any sublicense of Company hereunder having the same scope as such sublicense and on terms and conditions no less favorable to such sublicensee than the terms and conditions of this Agreement, provided that such sublicensee is not in default of any applicable obligations under this Agreement and agrees in writing to be bound by the terms and conditions of such direct license.

11. INDEMNIFICATION

11.1 Indemnification. Company shall defend, indemnify and hold ID4 harmless from all losses, liabilities, damages and expenses (including attorneys' fees and costs) incurred as a result of any claim, demand, action or proceeding arising out of any breach of this Agreement by Company, or the gross negligence or willful misconduct of Company in the performance of its obligations under this Agreement, except in each case to the extent arising from the gross negligence or willful misconduct of ID4 or the breach of this Agreement by ID4.

11.2 Procedure. ID4 promptly shall notify Company of any liability or action in respect of which ID4 intends to claim such indemnification, and Company shall have the right to assume the defense thereof with counsel selected by Company. The indemnity agreement in this Section 11 shall not apply to amounts paid in settlement of any loss, claim, damage, liability or action if such settlement is effected without the consent of Company, which consent shall not be withheld unreasonably. The failure to deliver notice to Company within a reasonable time after the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve Company of any liability to ID4 under this Section 11, but the omission so to deliver notice to Company will not relieve it of any liability that it may have to ID4 otherwise than under this Section 11. ID4 under this Section 11, its employees and agents, shall cooperate fully with Company and its legal representatives in the investigation and defense of any action, claim or liability covered by this indemnification.

11.3 Insurance. Company shall maintain product liability insurance with respect to the research, development, manufacture and sales of Products by Company in such amount as Company customarily maintains with respect to the research, development, manufacture and sales of its similar products. Company shall maintain such insurance for so long as it continues to research, develop, manufacture or sell any Products, and thereafter for so long as Company customarily maintains insurance covering the research, development, manufacture or sale of its similar products.

12. FORCE MAJEURE

Neither party shall be held liable or responsible to the other party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement to the extent, and for so long as, such failure or delay is caused by or results from causes beyond the reasonable control of the affected party including but not limited to fire, floods, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or the other party.

13. MISCELLANEOUS

13.1 Notices. Any consent, notice or report required or permitted to be given or made under this Agreement by one of the parties hereto to the other party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee.

ID4: Dr. Xiangqun Xie, Ph.D.
1654 Settlers Drive
Sewickley, PA 15143

Company: Anthony Cataldo
Chairman & CEO
Oxis Biotech, Inc.
1402 North Beverly Drive
Beverly Hills, CA 90210

with a copy to: DLA Piper US
4365 Executive Drive, Suite 1100
San Diego, California 92130
Attention: Lisa A. Haile

13.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof.

13.3 Arbitration. Any dispute, controversy or claim initiated by either party arising out of, resulting from or relating to this Agreement, or the performance by either party of its obligations under this Agreement (other than (a) any dispute, controversy or claim regarding the validity, enforceability, claim construction or infringement of any patent rights, or defenses to any of the foregoing, or (b) any bona fide third party action or proceeding filed or instituted in an action or proceeding by a Third Party against a party to this Agreement), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other party. Any such arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators appointed in accordance with such rules. Any such arbitration shall be held in Los Angeles, California. The method and manner of discovery in any such arbitration proceeding shall be governed by California Code of Civil Procedure § 1282 et seq. (including without limitation California Code of Civil Procedure § 1283.05). The arbitrators shall have the authority to grant specific performance and to allocate between the parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either party shall have the right, without waiving any right or remedy available to such party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

13.4 Assignment. Company shall not assign its rights or obligations under this Agreement without the prior written consent of ID4; provided, however, that Company may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

13.5 Waivers and Amendments. No change, modification, extension, termination or waiver of this Agreement, or any of the provisions herein contained, shall be valid unless made in writing and signed by duly authorized representatives of the parties hereto.

13.6 Entire Agreement. This Agreement embodies the entire agreement between the parties and supersedes any prior representations, understandings and agreements between the parties regarding the subject matter hereof. There are no representations, understandings or agreements, oral or written, between the parties regarding the subject matter hereof that are not fully expressed herein.

13.7 Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof and without affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

13.8 Waiver. The waiver by either party hereto of any right hereunder or the failure to perform or of a breach by the other party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

13.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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

LICENSOR: ID4

By: /s/ Xiang-Qun Xie
Name: Xiang-Qun Xie, Ph.D.
Title Managing Member

LICENSEE: Oxis Biotech, Inc.

By: /s/ Anthony Cataldo
Name: Anthony Cataldo
Title: Chairman & CEO

SCHEDULE A

LICENSED PATENT RIGHTS

1. PCT/US2012/049911 (WO2013022919A1)

2. USSN 61/521,287

3. USSN 14/237,494

4. Chinese Patent Application No. 201280048718; Pre-grant Publ. No. 103930166

SCHEDULE B

ASSIGNMENT DOCUMENTS

1. Assignment document from University of Pittsburgh to inventors (Patent family of USSN 14/237,494).

2. Assignment document from Inventors to Dr. Xiang-Qun Xie (Patent family of USSN 14/237,494) .

3. Assignment document from Dr. Xiang-Qun Xie to ID4Pharma, LLC (Patent family of USSN 14/237,494).

SCHEDULE C

CONSULTING AGREEMENT

SCHEDULE D

CONFIDENTIALITY AGREEMENT

Exhibit 10.2

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement"), effective as of March 10, 2015 (the "Effective Date"), is made by and between Oxis Biotech, Inc., a Delaware corporation, having a place of business at 1407 North Beverly Drive, Beverly Hills, CA 90210 ("OXIS") and MultiCell Immunotherapeutics, Inc., a Delaware corporation, having a place of business at 68 Cumberland Street, Suite 301, Woonsocket, RI 02895 (hereinafter "MCIT").

WHEREAS, MCIT owns technology and patent rights in the field of antibody-drug conjugates;

WHEREAS, OXIS desires to obtain a license under MCIT's rights in the field of antibody-drug conjugates on the terms and conditions set forth below; and,

WHEREAS, MCIT and OXIS have entered into a Research Agreement ("RA"), effective March 10, 2015, to which this License Agreement is an Exhibit.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the parties hereby agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the terms defined in this Section 1 shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever.

1.2 "Competent Authority(ies)" shall mean, collectively, (a) the governmental entities in each country or supranational organization that is responsible for the regulation of any Licensed Human Therapeutic Product intended for use in the Exclusive Field or the establishment, maintenance and/or protection of rights related to the Licensed IP Rights (including the FDA, the EMEA and the MHLW), or (b) any other applicable regulatory or administrative agency in any country or supranational organization that is comparable to, or a counterpart of, the foregoing.

1.3 "Deliverables" shall means the Anti-FZD7mAb/O-1663, anti-FZD7mAb/O-1663/Taxol, and anti-FZD7mAb/XIE3-P62 antibody-drug conjugates delivered by MCIT pursuant to the RA.

1.4 "EMEA" shall mean the European Medicines Agency which is responsible for evaluation of human medicinal products for the European Union, or the successor thereto.

1.5 "Exclusive Field" shall mean the use of Licensed Human Therapeutic Products for *in vivo* treatment of triple negative breast cancer or multiple myeloma/secondary osteoporosis in humans.

1.6 "FDA" shall mean the Food and Drug Administration of the United States, or the successor thereto.

1.7 "MCIT IP Rights" shall mean, collectively, the MCIT Patent Rights and the MCIT Technology Know-How Rights.

1.8 "MCIT Technology Know-How Rights" shall mean all MCIT trade secret and other know-how rights in and to all data, information, compositions and other technology (including, but not limited to, formulae, procedures, protocols, techniques and results of experimentation and testing arising from the Developed Results under the RA, as defined therein) which are necessary or useful for OXIS to make, have made, use, have used, develop, sell, have sold, or seek regulatory approval to market Licensed Human Therapeutic Products, or to practice any method or process, at any time claimed or disclosed in any issued patent or pending patent application within the Licensed Patent Rights or which otherwise relates to the Technology.

1.9 "MCIT Patent Rights" shall mean MCIT's patent application listed in Appendix A hereto including all issues, reissues, renewals, extensions, continuations, continuations-in-part, divisions and foreign counterparts.

1.10 "Licensed Human Therapeutic Product" shall mean a Licensed Product that is synthesized for and intended for *in vivo* therapeutic use in humans.

1.11 "Licensed Product" shall mean an antibody-drug conjugate therapeutic product containing FZD7 monoclonal antibody and either (a) 2-(4-phenylcyclohexyl)-5-(1',1'-dimethylheptyl)-resorcinol ("O-1663") or (b) 2-((3,4-bis(benzyloxy)benzyl)amino)ethan-1-ol ("XRK3" or "XIE3-P62") or (c) O-1663 and Taxol, that if made, used, sold, offered for sale or imported by OXIS or its Affiliate absent the license granted hereunder would infringe a Valid Claim of the Licensed Patent Rights, or otherwise use or incorporate the Licensed Technology Know-How Rights. For convenience, the chemical structures and alternative names for O-1663, XIE3-P62 and Taxol as shown in Appendix 2 attached hereto.

1.12 "Licensed Research Product" shall mean a Licensed Product that is synthesized for and intended for research use only in preclinical studies and IND enabling studies *in* vitro and *in vivo* in mammals, other than humans.

1.13 "NDA" shall mean a New Drug Application, or a Biological License Application ("BLA"), or similar application for marketing approval of a Licensed Human Therapeutic Product submitted to the FDA, or its foreign equivalent.

1.14 "Net Sales" shall mean, with respect to any Licensed Human Therapeutic Product, the gross sales price of such Licensed Human Therapeutic Product invoiced by OXIS or its Affiliate to customers who are not Affiliates (or are Affiliates but are the end users of such Licensed Human Therapeutic Product) less, to the extent actually paid or accrued by OXIS or its Affiliate (as applicable), (a) credits, allowances, discounts and rebates to, and chargebacks from the account of, such customers for nonconforming, damaged, out dated and returned Licensed Human Therapeutic Product; (b) freight and insurance costs incurred by OXIS or its Affiliate (as applicable) in transporting such Licensed Human Therapeutic Product to such customers; (c) cash, quantity and trade discounts, rebates and other price reductions for such Licensed Human Therapeutic Product given to such customers under price reduction programs, provided that all such discounts shall not exceed 3% of gross sales price on an annual basis; (d) sales, use, value-added and other direct taxes incurred on the sale of such Licensed Human Therapeutic Product to such customers; and (e) customs duties, tariffs, surcharges and other governmental charges incurred in exporting or importing such Licensed Human Therapeutic Product to such customers.

1.15 "Net Sublicensing Revenues" shall mean, with respect to any Licensed Human Therapeutic Product, the aggregate cash consideration received by OXIS or its Affiliates in consideration for the sublicense under the Licensed Patent Rights or Licensed Know-How Rights by OXIS or its Affiliates to a Third Party sub-licensee with respect to such Licensed Human Therapeutic Product including royalties received by OXIS or its Affiliates based on sales of such Licensed Human Therapeutic Product by such sub-licensee, but excluding amounts received to reimburse OXIS' or its Affiliates' cost to perform research, development or similar services conducted for such Licensed Human Therapeutic Product after signing the agreement with the Third Party, in reimbursement of patent or other out-of-pocket expenses relating to such Licensed Human Therapeutic Product, or in consideration for the purchase of any debt or securities of OXIS or its Affiliates.

1.16 "Person" shall mean an individual, corporation, partnership, limited liability company (LLC), trust, business trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

1.17 "Phase I Clinical Trial" shall mean a human clinical trial that is intended to initially evaluate the safety and/or pharmacological effect of a Licensed Human Therapeutic Product in subjects or that would otherwise satisfy requirements of 21 C.F.R. 312.21(a), or its foreign equivalent.

1.18 "Phase II Clinical Trial" shall mean a human clinical trial in any country that is intended to initially evaluate the effectiveness of a Licensed Human Therapeutic Product for a particular indication or indications in patients with the disease or indication under study or would otherwise satisfy requirements of 21 CFR 312.21(b), or its foreign equivalent.

1.19 "Phase III Clinical Trial" shall mean a human clinical trial in any country, the results of which could be used to establish safety and efficacy of a Licensed Human Therapeutic Product as a basis for an NDA or would otherwise satisfy requirements of 21 CFR 312.21(c), or its foreign equivalent.

1.20 "Registration(s)" shall mean any and all permits, licenses, authorizations, registrations or regulatory approvals including an NDA required or granted by any Competent Authority as a prerequisite to the development, manufacturing, packaging, marketing and selling of any product.

1.21 "Research Field" shall mean the use of Licensed Research Products to conduct pre-clinical and IND enabling studies *in* vitro and *in vivo* in mammals, other than humans, to target and treat triple negative breast cancer or multiple myeloma/secondary osteoporosis.

1.22 "Royalty Term" shall mean, with respect to each Licensed Human Therapeutic Product in each country, the longer of (i) the term for which a Valid Claim remains in effect and would be infringed but for the license granted by this Agreement, by the use, offer for sale, sale or import of such Licensed Human Therapeutic Product in such country; or (ii) the term during which Licensed Human Therapeutic Products made with, using or incorporating the Licensed Technology Know-How Rights are offered for sale, sold or imported in such country.

1.23 "Successful Completion" means with respect to a specified human clinical trial the achievement as determined by the sponsor of such trial of the primary clinical endpoint identified in the protocol for such trial.

1.24 "Territory" shall mean worldwide.

1.25 "Third Party" shall mean any Person other than MCIT, OXIS and their respective Affiliates

1.26 "Valid Claim" shall mean a claim of an issued and unexpired patent included within the Licensed Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

2. Representations and Warranties

2.1 Each party hereby represents and warrants to the other party as follows:

2.1.1 Such party is a corporation duly organized, validly existing and in good standing under the laws of the state in which it is incorporated.

2.1.2 Such party (a) has the corporate power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary corporate action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2 MCIT Representations and Warranties. MCIT hereby represents, warrants and covenants on its and its Affiliates' behalf that:

2.2.1 To its knowledge, (i) the inventors identified in the Licensed Patent Rights represent all the inventors of the Licensor Patent Rights in accordance with United States patent law; and (ii) the inventors have assigned their full right, title and interest in the MCIT Patent Rights to MCIT;

2.2.2 MCIT is the sole owner of the MCIT Patent Rights and the MCIT Technology Know-How Rights;

2.2.3 The execution and delivery of this Agreement and its performance by MCIT will not result in any breach or violation of, or constitute a default under, any agreement, instrument, judgment or order to which MCIT is bound.

2.2.5 There are no invention disclosures, patent applications, or issued patents other than MCIT Patent Rights in which MCIT has an ownership interest which discloses or claims any inventions which are reasonably necessary for the use, manufacture and sale of Licensed Human Therapeutic Products.

2.2.6 To its knowledge, sale, offer for sale or importation of any Licensed Human Therapeutic Product, or the practice of any MCIT Patent Rights or use of any MCIT Technology Know-How does not infringe or misappropriate any Third Party patent or other intellectual property rights, it being acknowledged and agreed by OXIS that neither MCIT nor OXIS has engaged outside patent counsel to conduct a freedom to operate search with respect to any MCIT Patent Rights or any MCIT Technology Know-How.

2.2.7 MCIT has not received any claim in writing from any Third Party contesting the validity, enforceability, licensability, use or ownership of any MCIT Patent Rights or MCIT Technology Know-How.

2.2.8 There are no pending declaratory judgment actions, interferences, oppositions, reissue proceedings or re-examinations involving the MCIT Patent Rights or MCIT Technology Know-How.

2.3 OXIS Representations and Warranties. OXIS hereby represents, warrants and covenants on its and its Affiliates' behalf that:

2.3.1 Neither OXIS nor its Affiliates shall use MCIT Patent Rights or MCIT Technology Know-How other than as expressly set forth herein and neither OXIS nor its Affiliates shall misappropriate MCIT Patent Rights or MCIT Technology Know-How at any time.

2.3.2 OXIS and its Affiliates shall comply with the intellectual property, confidentiality and non-use provisions set forth herein.

2.3.3 OXIS and its Affiliates shall not attempt to reverse engineer MCIT Technology Know-How or any Licensed Products manufactured by or on behalf of MCIT.

2.3.4 The execution and delivery of this Agreement and its performance by OXIS will not result in any breach or violation of, or constitute a default under, any agreement, instrument, judgment or order to which OXIS is bound.

2.4 EXCEPT AS SET FORTH IN SECTION 2.2, MCIT MAKES NO GUARANTEES OR WARRANTIES, EITHER EXPRESS OR IMPLIED, TO OXIS AND SPECIFICALLY EXCLUDES, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE WITH RESPECT TO MCIT PATENT RIGHTS OR MCIT TECHNOLOGY KNOW-HOW AND ANY INFORMATION OR DATA FURNISHED HEREUNDER OR UNDER THE RA, AND NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS:

(I) A WARRANTY OR REPRESENTATION THAT ANYTHING MADE, USED, SOLD OR OTHERWISE DISPOSED OF UNDER ANY LICENSE UNDER THIS AGREEMENT IS OR WILL BE FREE FROM INFRINGEMENT OF VALID, ISSUED PATENTS OF THIRD PARTIES;

(II) A REQUIREMENT THAT MCIT SHALL FILE ANY PATENT APPLICATION, SECURE ANY PATENT OR MAINTAIN OR DEFEND ANY PATENT OR PATENT APPLICATION IN FORCE;

(III) GRANTING BY IMPLICATION, ESTOPPEL OR OTHERWISE, ANY LICENSES OR RIGHTS UNDER PATENTS OF MCIT, REGARDLESS OF WHETHER SUCH OTHER PATENTS ARE DOMINANT OF OR SUBORDINATE TO ANY OTHER PATENTS;

(IV) AN OBLIGATION TO BRING OR PROSECUTE ACTIONS OR SUITS AGAINST THIRD PARTIES FOR INFRINGEMENT; OR

(V) CONFERRING A RIGHT TO USE IN ADVERTISING, PUBLICITY, OR OTHERWISE ANY TRADEMARK OR TRADENAME OF MCIT.

2.5 MCIT MAKES NO REPRESENTATION OR WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND ASSUMES NO RESPONSIBILITIES WHATSOEVER WITH RESPECT TO MANUFACTURE, USE, SALE, OFFER FOR SALE, IMPORT, TRANSFER, OR OTHER DISPOSITION OF LICENSED PRODUCTS.

2.6 NOTHING HEREIN WILL BE CONSTRUED AS A WARRANTY AND/OR REPRESENTATION AS TO THE SCOPE AND/OR VALIDITY OF ANY CLAIM OF ANY MCIT PATENT RIGHTS OR THAT ANY MCIT PATENT RIGHT IS ENFORCEABLE.

3. License Grant.

3.1 Subject to all terms of this Agreement, MCIT hereby grants OXIS:

(i) a fee-bearing, terminable, indivisible, non-transferable, right and license, with the right to grant sublicenses, to use and consume the Deliverables solely as necessary to conduct studies within the Research Field; and

(ii) a fee-bearing, royalty-bearing, terminable, indivisible, non-transferable, exclusive right and license, with the right to grant sublicenses, to sell Licensed Human Therapeutic Products in the Territory within the Exclusive Field. MCIT shall not assert any MCIT Patent Rights against OXIS or any permitted sublicensee so long as such parties exercise the rights in the preceding sentence as permitted. Nothing contained in this Agreement shall grant OXIS any interest in MCIT Patent Rights or MCIT Technology Know-How or, until exercise of the option under Section 4.4 and payment of all amounts due thereunder, any license to use any of the MCIT Patent Rights or MCIT Technology Know-How.

3.2 OXIS' right to grant sublicenses of license in Section 3.1 above to its Affiliates and to third parties is contingent upon (i) the sublicensee agreeing to abide by all the terms and provisions of this Agreement; (ii) OXIS remains fully liable for the performance of its and its sublicensee's obligations hereunder; and (iii) OXIS notifying MCIT of any grant of a sublicense and providing to MCIT upon MCIT request a copy of any sublicense agreement.

3.3 Subject to all terms of this Agreement, and effective only upon exercise of the Option under Section 4.4 and payment of all amounts due thereunder, MCIT shall additionally grant to OXIS a fee-bearing, royalty-bearing, terminable, indivisible, non-transferable, worldwide right and license, without the right to sublicense, to use the MCIT Patent Rights and MCIT Technology Know-How solely to extent required to make or have made Licensed Human Therapeutic Products for sale and use only in the Exclusive Field in the Territory.

3.4 For a period of one (1) year following the date of this Agreement, MCIT shall provide such technical assistance to OXIS as OXIS reasonably requests regarding the Licensed Products. OXIS shall pay to MCIT its documented reasonable out-of-pocket costs of providing such technical assistance.

3.5 MCIT acknowledges and agrees that OXIS shall own all Registrations for Licensed Human Therapeutic Products for sale in the Exclusive Field in each country in the Territory. Additionally, MCIT acknowledges and agrees that OXIS shall have the right to conduct pre-clinical and clinical development activities for Licensed Human Therapeutic Products in the Territory by using Licensed Research Products incident to such research activities *in* vitro and *in vivo* in mammals (other than humans) as permitted in Section 3.1(i) above. For the avoidance of doubt, OXIS shall have no rights to use any Licensed Research Products to treat humans *in vivo*. MCIT hereby grants to OXIS the right to reference, use, and have full access to all other Registrations and all other regulatory documents that relate to Licensed Human Therapeutic Products, including INDs, BLAs, NDAs and DMFs (whether as an independent document or as part of any NDA, and all chemistry, manufacturing and controls information), and any supplements, amendments or updates to the foregoing (for the purposes of this Section, the "Right of Reference"). OXIS shall have the right to sub-license the Right of Reference to its sub-licensees and Affiliates provided said sub-licensees and Affiliates comply fully with all applicable terms herein. MCIT shall promptly notify OXIS of any written or oral notices received from, or inspections by any Competent Authority relating to any such Registrations, and shall promptly inform OXIS of any responses to such written notices or inspections and the resolution of any issue raised by such Competent Authority. OXIS shall be entitled to attend any and all meetings and participate in telephone calls with the Competent Authorities, including without limitation any meeting preparation, meeting co-ordination and preparation of minutes.

3.6 Notwithstanding anything to the contrary herein, all rights not specifically and expressly granted in the license above to OXIS shall be reserved and remain always with MCIT.

4. Financial Considerations.

4.1 Technology and License Fees.

4.1.1 As consideration, *inter alia*, for the licenses in Section 3.1 herein, OXIS shall pay MCIT a non-refundable technology and license fee of FIVE HUNDRED THOUSAND DOLLARS ($500,000) which shall be due and payable according to the following payment schedule:

(a) TWO HUNDRED FIFTY THOUSAND DOLLARS ($250,000) shall be paid to MCIT immediately upon the Effective Date of this Agreement.

(b) ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000) shall be paid to MCIT thirty (30) calendar days after the Effective Date of this Agreement.

(c) ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000) shall be paid to MCIT sixty (60) calendar days after the Effective Date of this Agreement.

4.2 Royalties.

4.2.1 Subject to the Royalty Term and the terms and conditions of this Agreement, OXIS shall pay to MCIT royalties, with respect to each Licensed Human Therapeutic Product, equal to (a) THREE PERCENT (3.0%) of Net Sales of such Licensed Human Therapeutic Product by OXIS and its Affiliates, and (b) THIRTY PERCENT (30%) of Net Sub-licensing Revenues for such Licensed Human Therapeutic Product.

4.2.2 If a Licensed Human Therapeutic Product and its components are not covered by any Valid Claim but are covered by Licensed Technology Know-How Rights, then OXIS shall pay to MCIT royalties, with respect to each such Licensed Human Therapeutic Product, equal to (a) TWO AND ONE-HALF PERCENT (2.5%) of Net Sales of such Licensed Human Therapeutic Product by OXIS and its Affiliates, and (b) TWENTY-FIVE PERCENT (25%) of Net Sub-licensing Revenues for such Licensed Human Therapeutic Product.

4.2.3 Third Party Royalties. If OXIS, its Affiliates or sub-licensees is required to pay royalties to any Third Party in order to exercise its rights hereunder to sell, offer to sale or import any Licensed Human Therapeutic Product, then OXIS shall have the right to credit ONE PERCENT (1%) of such Third Party royalty payments against the royalties owing to MCIT under Section 4.2.1 above with respect to sales of such Licensed Human Therapeutic Product in such country; provided, however, that OXIS shall not reduce the amount of the royalties paid to MCIT under Section 4.2.1 above by reason of this Section 4.2.2, with respect to sales of such Licensed Human Therapeutic Product in such country, to less than ONE AND ONE-HALF PERCENT (1.5%) of Net Sales of such Licensed Human Therapeutic Product in such country.

4.3 OXIS shall pay to MCIT the following milestone payments within THIRTY (30) days following the first achievement of the applicable milestone:

4.3.1 FIVE HUNDRED THOUSAND DOLLARS ($500,000) upon dosing of the first patient in a Phase I clinical trial for each Licensed Human Therapeutic Product anywhere in the Territory.

4.3.2 SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($750,000) upon dosing of the first patient in a Phase II clinical trial for each Licensed Human Therapeutic Product anywhere in the Territory.

4.3.3 ONE MILLION THOUSAND DOLLARS ($1,000,000) upon dosing of the first patient in a Phase III clinical trial for each Licensed Human Therapeutic Product anywhere in the Territory.

4.3.4 ONE MILLION DOLLARS ($1,000,000) upon filing of an NDA or equivalent for each Licensed Human Therapeutic Product anywhere in the Territory.

4.3.5 ONE MILLION DOLLARS ($1,000,000) upon the first marketing approval by a competent regulatory authority for each Licensed Human Therapeutic Product anywhere in the Territory.

4.4 Manufacturing Rights to Licensed Human Therapeutic Products.

4.4.1 MCIT hereby grants to OXIS the option to obtain a worldwide license to make or have made Licensed Human Therapeutic Products for sale in the Exclusive Field (“Option”).

4.4.2 The Option shall expire THREE (3) YEARS from the Effective Date (“Option Period”) and must be exercised in full prior to the lapse of the foregoing Option Period.

4.4.3 OXIS may exercise the Option, during the term of this Agreement, by delivering to MCIT, prior to the lapse of the Option Period, (i) a written notice of its election to exercise the Option; and (ii) the sum of TEN MILLION DOLLARS ($10,000,000). Failure to deliver both (i) and (ii) in the preceding sentence during the term of this Agreement and prior to the lapse of the Option Period shall void the Option.

5. Reports and Payments.

5.1. On or before the last business day of January, April, July, and October of each calendar year of this Agreement, OXIS shall submit to MCIT a written report with respect to the preceding calendar quarter (the "Payment Report") stating:

(i) Net Sales made by OXIS or any Affiliate during such quarter;

(ii) In the case of transfers of Licensed Human Therapeutic Products to an Affiliate by OXIS for sale, rental, or lease of such Licensed Human Therapeutic Products by the Affiliate to third parties, Net Sales by OXIS to the Affiliate and Net Sales by the Affiliate to third parties during such quarter;

(iii) Net Sales by sublicensees during such quarter;

(iv) Amounts accruing to, and received by, OXIS from its sublicensees during such quarter; and,

(v) A calculation under Section 4 of the amounts due to LICENSOR, making reference to the applicable subsection thereof.

5.2. Within thirty (30) days of the submission of each Payment Report, OXIS shall make payments to MCIT of the amounts due for the calendar quarter covered by the Payment Report. All amounts shall be paid in United States Dollars. Payments shall be made by OXIS by bank wire transfer to MCIT's bank. Payment Reports shall be mailed to the following address:

MultiCell Immunotherapeutics, Inc.
68 Cumberland Street, Suite 301
Woonsocket, RI 02895
Attn: Chief Executive Officer

6. Payments.

6.1 Royalties shown to have accrued by each royalty report provided for under Section 5 above shall be due on the date such royalty report is due. Payment of royalties in whole or in part may be made in advance of such due date.

6.2 If at any time legal restrictions prevent the prompt remittance of part or all royalties with respect to any country in the Territory where the Licensed Human Therapeutic Product is sold, OXIS shall have the right, in its sole discretion, to make such payments by depositing the amount thereof in local currency to MCIT's account in a bank or other depository institution in such country. If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country shall be adjusted to the highest legally permissible or government-approved rate.

6.3 OXIS shall be entitled to deduct the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such amounts, other than United States taxes, payable by OXIS, its Affiliates or sub-licensees, or any taxes required to be withheld by OXIS, its Affiliates or sub-licensees, to the extent OXIS, its Affiliates or sub-licensees pay to the appropriate governmental authority on behalf of [Licensor] such taxes, levies or charges. OXIS shall use reasonable efforts to minimize any such taxes, levies or charges required to be withheld on behalf of Licensor by OXIS, its Affiliates or sub-licensees. OXIS promptly shall deliver to Licensor proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such governmental authority with respect thereto.

7. Research and Development Obligations.

7.1 OXIS shall conduct such research, development and preclinical and human clinical trials as OXIS determines are necessary or desirable to obtain regulatory approval to manufacture and market such Licensed Human Therapeutic Products as OXIS determines are commercially feasible in the Territory and as otherwise required to commence a Phase I clinical trial for a Licensed Human Therapeutic Product on or before the 3rd anniversary of the Effective Date, and shall use its commercially reasonable efforts to obtain regulatory approval to market, and following approval to commence marketing and market each such Licensed Human Therapeutic Product in such countries in the Territory as OXIS determines are commercially feasible.

7.2 OXIS shall maintain records, in sufficient detail and in good scientific manner, which shall reflect all work done and results achieved in the performance of its research and development regarding the Licensed Human Therapeutic Products.

7.3 No less often than every SIX (6) MONTH anniversary after the Effective Date OXIS shall report in writing to MCIT on progress made toward the objectives set forth above.

7.4 Notwithstanding anything else to the contrary, OXIS shall be required to commence a Phase I clinical trial for a Licensed Human Therapeutic Product anywhere in the Territory on or before the 3rd anniversary of the Effective Date.

8. Patents.

8.1 If OXIS determines that it desires a patent application to be made covering Licensed Human Therapeutic Products, OXIS will appoint qualified counsel after reasonable consultation with MCIT and to whom MCIT has no reasonable objection, and in consultation with patent counsel appointed by MCIT, OXIS will prepare and prosecute such application in MCIT's name and in countries designated by OXIS. OXIS will handle the filing of the patent applications with the appropriate patent offices. OXIS shall promptly provide copies to MCIT of any proposed patent application filing. OXIS shall in good faith take into consideration the advice and suggestions of MCIT and its patent counsel with regard to each such proposed patent application or communication. OXIS will reimburse MCIT for reasonable expenses it has incurred and will pay reasonable expenses incurred in the future in so filing and prosecuting such applications, including attorneys' fees, taxes, annuities, issue fees, working fees, maintenance fees and renewal charges. Each party hereto agrees to cooperate with the other party to execute all lawful papers and instruments, to make all rightful oaths and declarations and to provide consultation and assistance as may be necessary in the preparation, prosecution, maintenance, and reinforcement of all such patent applications and patents. All such patent applications and any letters patent issued thereupon shall be added to MCIT Patent Rights and subject to the licenses herein.

8.2 Each party shall notify the other party of any substantial infringement in the Territory known to such party of any MCIT Patent Rights, and shall provide the other party with the available evidence, if any, of such infringement.

8.3 MCIT shall have the right to exclusively determine the appropriate course of action to enforce MCIT Patent Rights or otherwise abate the infringement thereof, to take (or refrain from taking) appropriate action to enforce MCIT Patent Rights, to defend any declaratory judgments seeking to invalidate or hold the MCIT Patent Rights unenforceable, to control any litigation or other enforcement action and to enter into, or permit, the settlement of any such litigation, declaratory judgments or other enforcement action with respect to MCIT Patent Rights, in each case in MCIT's own name. If MCIT does not, within one hundred twenty (120) days of receipt of notice from OXIS, abate the infringement or file suit to enforce the MCIT Patent Rights against at least one infringing party in the Territory, OXIS shall have the right to take whatever action it deems appropriate to enforce the MCIT Patent Rights; provided, however, that, within thirty (30) days after receipt of notice of OXIS' intent to file such suit, MCIT shall have the right to jointly prosecute such suit and to fund up to one-half (½) the costs of such suit. The party controlling any such enforcement action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling party without the prior written consent of the other party. All monies recovered upon the final judgment or settlement of any such suit to enforce the Licensed Patent Rights shall be shared, after reimbursement of each party's legal expenses, on a 50%/50% basis by each party.

8.4 In any suit to enforce and/or defend the MCIT Patent Rights pursuant to this Section 8, the party not in control of such suit shall, at the request and expense of the controlling party, reasonably cooperate and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

9. Confidentiality.

9.1 During the term of this Agreement, and for a period of five (5) years following the expiration or earlier termination hereof, each party shall maintain in confidence all information of the other party that is disclosed by the other party and identified as, or acknowledged to be, confidential at the time of disclosure (the "Confidential Information"), and shall not use, disclose or grant the use of the Confidential Information except (i) with respect to OXIS, as expressly permitted below; and (ii) with respect to MCIT except on a need-to-know basis to those directors, officers, affiliates, employees, permitted licensees, permitted assignees and agents, consultants, clinical investigators or contractors, to the extent such disclosure is reasonably necessary in connection MCIT's performing its obligations or exercising its rights under this Agreement. To the extent that disclosure is authorized by this Agreement, prior to disclosure, each party hereto shall obtain agreement of any such Person to hold in confidence and not make use of the Confidential Information for any purpose other than those permitted by this Agreement. Each party shall notify the other promptly upon discovery of any unauthorized use or disclosure of the other party's Confidential Information.

9.1.1 Notwithstanding anything else to the contrary herein, any disclosure by OXIS of Confidential Information to any employee, officer or director of OXIS is prohibited unless (i) said individual needs to know the information in order for OXIS to perform its obligations or exercise its rights under this Agreement; and (ii) said individual is bound by written obligations of confidentiality, non-use and intellectual property ownership to OXIS, no less restrictive as the corresponding obligations binding OXIS hereunder and under the RA; and

9.1.2 Notwithstanding anything else to the contrary herein, any disclosure by OXIS of Confidential Information to any Third Party including but not limited to consultants, agents, independent contractors, investors, or business partners is prohibited, except that OXIS is permitted to disclose portions of Confidential Information to employees of the California Pacific Medical Center Research Institute or the University of Pittsburg who have a need to know the information in order for OXIS to be able to exercise the rights licensed to OXIS under Section 3.1(i) but only provided the minimum information is disclosed as required for such purpose; and (ii) each such recipient is, in each case, bound to OXIS by written obligations of confidentiality, non-use and intellectual property ownership, no less restrictive as the corresponding obligations binding OXIS hereunder and under the RA.

9.2 The confidentiality obligations contained in Section 9.1 above shall not apply to the extent that (a) any receiving party (the "Recipient") is required (i) to disclose information by law, regulation or order of a governmental agency or a court of competent jurisdiction, or (ii) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case that the Recipient shall provide written notice thereof to the other party and sufficient opportunity to object to any such disclosure or to request confidential treatment thereof; or (b) the Recipient can demonstrate that (i) the disclosed information was public knowledge at the time of such disclosure to the Recipient, or thereafter became public knowledge, other than as a result of actions of the Recipient in violation hereof; (ii) the disclosed information was rightfully known by the Recipient (as shown by its written records) prior to the date of disclosure to the Recipient by the other party hereunder; (iii) the disclosed information was disclosed to the Recipient on an unrestricted basis from a source unrelated to any party to this Agreement and not under a duty of confidentiality to the other party; or (iv) the disclosed information was independently developed by the Recipient without use of the Confidential Information disclosed by the other party or breach of this Agreement.

9.3 Disclosure of Terms of this Agreement.

9.3.1 Except as otherwise provided in Section 9.3.2 , MCIT and OXIS shall not disclose any terms or conditions of this Agreement to any Third Party without the prior consent of the other party hereto provided, however, that each party hereto may indicate the existence of this license with the other party and its terms and conditions in any of its filings with U.S. Securities Exchange Commission ("SEC").

9.3.2 Each party may issue a press release stating that they have entered into this Agreement. Said party's press release must be approved by the other party in advance of publication, and such approval will not be unreasonably withheld.

10. Prohibition Against Use of the Other Party's Name.

10.1. Neither party will not use the other party's the name, insignia, symbols, or combination thereof, or the name of employee for any purpose whatsoever without the other party's prior written consent, provided, however, that each party hereto may indicate the existence of this license with the other party in any of its SEC filings.

11. Compliance with Governmental Obligations.

11.1 Notwithstanding any provision in this Agreement, MCIT disclaims any obligation or liability arising under the license provisions of this Agreement if OXIS is charged in a governmental action for not complying with or fails to comply with governmental regulations in the course of taking steps to bring any Licensed Human Therapeutic Product to a point of practical application.

11.2. OXIS shall comply with all governmental requests directed to OXIS or (upon reasonable notice from MCIT) to LICENSOR and provide all information and assistance reasonably necessary to comply with legitimate governmental requests.

11.3 OXIS shall insure that research, development, and marketing under this Agreement complies with all government regulations in force and effect including, but not limited to, Federal, state, and municipal legislation.

12. Indemnification.

12.1 OXIS shall defend, indemnify and hold MCIT and its directors, officers, employees, agents and affiliates harmless from all losses, liabilities, damages and expenses (including attorneys' fees and costs) incurred as a result of any claim, demand, action or proceeding arising out of (i) any breach of the representations, warranties and covenants of OXIS in Section 2.2; (ii) any use of the MCIT Patent Rights and/or MCIT Technology Know-How by OXIS, whether authorized or not; (iii) any manufacture, storage, transportation, sale or use or Licensed Human Therapeutic Products; (iv) the use of any Licensed Research Products *in vivo* in humans; and (v) the negligence or willful misconduct of OXIS in the performance of its obligations under this Agreement.

12.2 MCIT promptly shall notify OXIS of any liability or action in respect of which MCIT intends to claim such indemnification and OXIS shall have the right to assume the defense thereof with counsel selected by OXIS. The indemnity agreement in this Section 12 shall not apply to amounts paid in settlement of any loss, claim, damage, liability or action if such settlement is effected without the consent of OXIS, which consent shall not be withheld unreasonably. The failure to deliver notice to OXIS within a reasonable time after the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve OXIS of any liability to Licensor under this Section 12, but the omission so to deliver notice to OXIS will not relieve it of any liability that it may have to Licensor otherwise than under this Section 12. MCIT under this Section 12, its employees and agents, shall cooperate fully with OXIS and its legal representatives in the investigation and defense of any action, claim or liability covered by this indemnification.

12.3 OXIS shall maintain product liability insurance with respect to the research, development, manufacture and sales of Licensed Human Therapeutic Products by OXIS in such amount as OXIS customarily maintains with respect to the research, development, manufacture and sales of its similar products. OXIS shall maintain such insurance for so long as it continues to research, develop, manufacture or sell any Licensed Human Therapeutic Products, and thereafter for so long as OXIS customarily maintains insurance covering the research, development, manufacture or sale of its similar products.

12.4 NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EXCEPT FOR OXIS' VIOLATION OF MCIT'S INTELLECTUAL PROPERTY RIGHTS OR EXCEEDING SCOPE OF ANY LICENSE RIGHTS HEREIN, NO PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, WHETHER FORESEEABLE OR NOT, THAT ARE IN ANY WAY RELATED TO THIS AGREEMENT OR THE BREACH THEREOF, ANY TRANSACTIONS RESULTING FROM THIS AGREEMENT, LOSS OF GOODWILL OR PROFITS, LOST BUSINESS HOWEVER CHARACTERIZED AND/OR FROM ANY OTHER CAUSE WHATSOEVER, EVEN THOUGH THE PARTY MAY HAVE BEEN ADVISED OR MAY OTHERWISE KNOW OF THE POSSIBILITY OF SUCH DAMAGES.

13. Force Majeure.

13.1. Neither party shall be held liable or responsible to the other party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement to the extent, and for so long as, such failure or delay is caused by or results from causes beyond the reasonable control of the affected party including but not limited to fire, floods, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or the other party.

14. Export Control Laws.

14.1. This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States of America which may be imposed from time to time by the government of the United States of America. Furthermore, each party hereto agrees that it will not export or re-export, directly or indirectly, any technical information acquired from the other under this Agreement or any products using such technical information to any country for which the United States government or any agency thereof at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the Department of Commerce or other agency of the United States government when required by an applicable statute or regulation.

15. Termination.

15.1 Subject to Sections 15.2 and 15.3 below, this Agreement shall expire on the expiration of OXIS' obligation to pay royalties to MCIT under Section 4 above. The licenses granted under Section 3.1, and if the Option is fully exercised as permitted herein, 3.3, shall be effective at all times prior to such expiration.

15.2 OXIS may terminate this Agreement, in its sole discretion, upon THIRTY (30) DAYS prior written notice to MCIT.

15.3. Except as otherwise provided in Section 13, MCIT may terminate this Agreement upon or after the breach of any provision of this Agreement by OXIS if OXIS has not cured such breach within THIRTY (30) DAYS after receipt of express written notice thereof by MCIT.

15.4 Expiration or termination of this Agreement shall not relieve the parties of any obligation accruing prior to such expiration or termination, and the provisions of Sections 8, 9, 10, 11, 12, 14, and 15 and any other provisions which, by their terms, survive termination in order to give effect to their terms, shall survive the expiration or termination of this Agreement.

16. Miscellaneous.

16.1 Any consent, notice or report required or permitted to be given or made under this Agreement by one of the parties hereto to the other party shall be in writing, delivered by any lawful means to such other party's Chief Executive Officer at the address indicated below, or to such other address as one party shall have last furnished in writing to the other party, and (except as otherwise provided in this Agreement) shall be effective upon receipt by the receiving party.

If to: MultiCell Immunotherapeutics, Inc.
68 Cumberland Street, Suite 301
Woonsocket, RI 02895

If to: Oxis Biotech, Inc.
1407 North Beverly Drive
Beverly Hills, CA 90210

16.2 All payments made to MCIT required or permitted under this Agreement shall be made as follows by bank wire transfer:

ACCOUNT NAME:
ACCOUNT NUMBER:
BANK NAME:
BANK ADDRESS:
BANK WIRE TRANSFER ROUTING NUMBER:

16.3 Neither party shall assign its rights or obligations under this Agreement without the prior written consent of the other party; provided, however, that either party may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

16.3 This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof.

16.4 Any dispute, controversy or claim initiated by either party arising out of, resulting from or relating to this Agreement, or the performance by either party of its obligations under this Agreement (other than (a) any dispute, controversy or claim regarding the validity, enforceability, claim construction or infringement of any patent rights, or defenses to any of the foregoing, or (b) any bona fide third party action or proceeding filed or instituted in an action or proceeding by a Third Party against a party to this Agreement), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other party. Any such arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators appointed in accordance with such rules. Any such arbitration shall be held in San Francisco, California. The method and manner of discovery in any such arbitration proceeding shall be governed by California Code of Civil Procedure § 1282 et seq. (including without limitation California Code of Civil Procedure § 1283.05). The arbitrators shall have the authority to grant specific performance and to allocate between the parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either party shall have the right, without waiving any right or remedy available to such party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

16.5 OXIS will inform MCIT within five (5) business days of any regulatory approval for a Licensed Human Therapeutic Product, and will assist MCIT to apply for applicable extension of exclusivity, whether by patent extension, special protection certificate, data exclusivity, or the like.

16.6 No change, modification, extension, termination or waiver of this Agreement, or any of the provisions herein contained, shall be valid unless made in writing and signed by duly authorized representatives of the parties hereto.

16.7 This Agreement embodies the entire agreement between the parties and supersedes any prior representations, understandings and agreements between the parties regarding the subject matter hereof. There are no representations, understandings or agreements, oral or written, between the parties regarding the subject matter hereof that are not fully expressed herein.

16.8 Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof and without affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

16.9 The waiver by either party hereto of any right hereunder or the failure to perform or of a breach by the other party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

16.10 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS THEREOF, MCIT and OXIS have caused this Agreement to be executed by their duly authorized representatives as of the day and year first written above.

For MultiCell Immunotherapeutics, Inc.:	**For Oxis Biotech, Inc.:**
/s/ W. Gerald Newmin	/s/ Anthony J. Cataldo
W. Gerald Newmin	Anthony J. Cataldo
Chairman & Chief Executive Officer	Chairman & Chief Executive Officer
Title	Title

Exhibit 10.3

Internal University Use Only
OTC Agreement No.:
OTC Case No.(s):
Document Revision Date:

UNIVERSITY OF MINNESOTA

EXCLUSIVE PATENT LICENSE AGREEMENT

THIS EXCLUSIVE PATENT LICENSE AGREEMENT (this "Agreement") is made by and between Regents of the University of Minnesota, a constitutional corporation under the laws of the state of Minnesota, having a place of business at 200 Oak Street, SE, Suite 280, Minneapolis, Minnesota 55455 (the "University"), and the Licensee identified below. The University and the Licensee agree that:

The Terms and Conditions of Exclusive Patent License attached hereto as Exhibit A (the "Terms and Conditions") are incorporated herein by reference in their entirety. In the event of a conflict between provisions of this Agreement and the Terms and Conditions, the provisions in this Agreement shall govern. Capitalized terms used in this Agreement without definition shall have the meanings given to them in the Terms and Conditions. The section numbers used in the parentheses below correspond to the section numbers in the Terms and Conditions.

1. **Licensee (§1.8):** Oxis Biotech, Inc., a corporation under the laws of Delaware, having its principal offices at 100 South Ashley Drive, Suite 600 Tampa, FL 33602

2. **Field(s) of Use (§1.3):** All

3. **Territory (§1.16):** Any country or territory where unexpired Licensed Patents exist.

4. **Effective Date (§2):** Date of the last signature of the Agreement.

5. Licensed Patents and Technical Information:

5.1 Patents(s) (§1.4): NONE

5.2 Patent Applications (§1.5):

Application No.	Country	Filing Date	Title
62/237,835	USA	October 6, 2015	Therapeutic compounds and its uses

5.3 Technical Information:

☒ None

6. Patent-Related Expenses (§§1.10 & 6.3): The Licensee shall reimburse the University for Patent-Related Expenses incurred before and during the Term as provided in section 6.3 of the attached Terms and Conditions.

7. Sublicense Rights (§3.1.2): [Select one of the following]

☒ Yes ☐ No

8. Federal Government Rights (§3.2): [Select one of the following]

☒ Yes ☐ No

9. Performance Milestones (§5.1): The Licensee shall achieve the following milestones:

- Perform First dosing of first patient in a Phase I clinical trial for the Licensed Product within 24 months from the Effective Date;
- Perform the first dosing of a patient in a Phase II clinical trial for the Licensed Product within 48 months from the Effective Date.
- Perform the first dosing of a patient in a Phase III clinical trial within 84 months from the Effective Date;
- Obtain regulatory approval for commercial sale of the Licensed Product in the Territory within 120 months from the Effective Date.

By March 1 of each year, Licensee will submit a written annual report to University covering the preceding calendar year. The report will include information sufficient to enable University to satisfy reporting requirements of the U.S. Government and for University to ascertain progress by Licensee toward meeting this Agreement's diligence requirement. Each report will describe, where relevant: Licensee's progress toward commercialization of Licensed Product, including work completed, key scientific discoveries, summary of work-in-progress, current schedule of anticipated events or milestones, market plans for introduction of Licensed Product, and significant corporate transactions involving Licensed Product. Licensee will specifically describe how each Licensed Product is related to each Licensed Patent.

10. Commercialization Reports (§5.4): On each anniversary of the Effective Date, the Licensee shall deliver written commercialization reports to the University as provided in section 5.4 of the Terms and Conditions.

11. Payments (§6.1). All amounts are non-refundable, and payable as defined below or as specified in the University's invoice.

11.1 **Upfront Payment**: $200,000 payable as follows: $75,000 is payable within 15 calendar days after the Effective Date. The remaining $125,000 is payable within 6 months of the Effective Date of the Agreement. For clarification, Licensee's obligation to pay the full amount of $200,000 survives any termination by Licensee pursuant to Section 8.2 of the Terms and Conditions and would be in addition to the early termination fee set forth in Section 8.2 of the Terms and Conditions

11.2 **License Maintenance Fee**.

- $25,000, payable on the first and second anniversary of the Effective Date
- $50,000, payable on the third and fourth anniversary of the Effective Date.
- $100,000, payable on the fifth anniversary of the Effective Date an on each anniversary of the Effective Date thereafter.

11.3 **Document Fee**: None.

11.4 **Running Royalties on Net Sales**. Licensee shall pay the University a royalty of four percent (4%) of Net Sales of Licensed Product, determined and payable as provided in section 6.4 of the Terms and Conditions. For clarification, Licensee intends to sponsor research at the University which may result in additional inventions, for which Licensee will have an opportunity to negotiate a license. If Licensee develops products which are covered by a Licensed Patent or Technical Information under this Agreement and also is covered by the claims in a patent for any inventions developed by the University, the maximum royalty for which Licensee will be obligated to pay under a subsequent license agreement or amendment to this Agreement will not exceed 6%.

1 1 . 5 **Annual Minimum.** The annual minimum amount of Royalties owed by the Licensee under subsection 11.4.1, upon commencement of commercial sales, shall be $250,000 beginning in Year 2022; $2,000,000, beginning in year 2025; and $5,000,000 beginning in year 2027 throughout the remainder of the term.).

11.5 **Non-Royalty Sublicense Consideration**:

- Licensee shall pay the University 50% of all Non-Royalty Sublicensee Consideration received by Licensee prior to the initiation of a Phase I clinical trial.
- Licensee shall pay the University 25% of all Non-Royalty Sublicensee Consideration received by Licensee after the initiation of a Phase I clinical trial but prior to the initiation of a Phase III clinical trial
- Licensee shall pay the University 15% of all Non-Royalty Sublicensee Consideration received by Licensee after regulatory approval of the first Licensed Product for commercial sale in North America, the European Union, Japan, or Australia.

1 1 . 8 **Change of Control Fee**: One hundred fifty thousand dollars ($50,000.00), payable as provided in section 12.5 of the Terms and Conditions.

11.9 **Performance Milestone Payments:**

11.9.1 Clinical Development Milestones:

- $100,000 upon dosing of the first human subject in a Phase I clinical trial of a Licensed Product;
- $250,000 upon dosing of a first human subject in a Phase II clinical trial of a Licensed Product;
- $500,000 upon dosing of a first human subject in a Phase III clinical trial of a Licensed Product;
- $500,000 upon filing of an BLA with FDA (or EMEA or an equivalent authority in) in any jurisdiction, for a Licensed Product;
- $1,000,000 following the first commercial sale of a Licensed Product;
- $500,000 for the second commercial sale of a Licensed Product.
- $250,000 for the first commercial sale of a Licensed Product for any non-human use.

11.9.2 Patent issuance milestone:

- A one-time $50,000 payment due upon issuance of a Licensed Patent in any of Australia, European Union, Japan, the U.S. or Canada including a valid claim to a Licensed Product.

11.9.3 Sales Milestones (one time):

- $1,000,000 upon reaching 250 Million dollars in cumulative gross sales of Licensed Products.
- $5,000,000 upon reaching 500 Million dollars in cumulative gross sales of Licensed Products.

11.7 Equity: None

12. Licensee's Address for Notice (§12.13). Notices will be sent to the Licensee at:

Attn:
Anthony J. Cataldo
Chairman & Chief Executive Officer
Oxis Biotech, Inc.
4830 West Kennedy Boulevard, Suite 600
Tampa, Florida 33609

Facsimile No.:
Email: cataldo14@aol.com

13. **Licensee's Contact Person for Patent Prosecution Consultation (§4.2.1)**. The University will, as set forth in this Agreement, communicate with the contact person named below with respect to patent prosecution and maintenance: (Upon ten (10) days prior written notice to the University, the Licensee may change the person designated below.)

Lisa A. Haile, J.D., Ph.D.
DLA Piper LLP (US)
4365 Executive Drive, Suite 1100
San Diego, California 92121
858.677.1456 **T**
858.735.2456 **C**
858.638.5040 **F**
lisa.haile@dlapiper.com

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement.

Regents of the University of Minnesota

By: /s/ Jay W. Schrankler
Jay W. Schrankler
Executive Director
Office for Technology Commercialization

Date: July 15, 2016

Oxis Biotech, Inc

By: /s/ Anthony J. Cataldo
Anthony J. Cataldo
Chairman & Chief Executive Officer

Date: July 18, 2016

EXHIBIT A
Terms and Conditions
Exclusive Patent License Agreement

These terms and conditions to the Exclusive Patent License Agreement ("Terms and Conditions") govern the grant of license by Regents of the University of Minnesota ("University") to the Licensee identified in the Exclusive Patent License Agreement (the "EPLA"). These Terms and Conditions are incorporated by reference into the EPLA. All section references in these Terms and Conditions refer to provisions in these Terms and Conditions unless explicitly stated otherwise.

1. Definitions. For purposes of interpreting this Agreement, the following terms have the following meanings:

1.1 "Affiliate" means an entity that controls the Licensee or the sublicensee, as the case may be, is controlled by the Licensee or sublicensee, or along with the Licensee or sublicensee, is under the common control of a Third Party. An entity shall be deemed to have control of the controlled entity if it (i) owns, directly or indirectly, fifty percent (50%) or more of the outstanding voting securities of the controlled entity, or (ii) has the right, power or authority, directly or indirectly, to direct or cause the direction of the policy decisions of the controlled entity, whether by ownership of securities, by representation on the controlled entity's governing body, by contract, or otherwise.

1.2 "Change of Control" means (A) acquisition of ownership -- either directly or indirectly. by any person or group -- of the capital stock of Licensee representing more than 50% of either the aggregate ordinary voting power or the aggregate equity value represented by the issued and outstanding capital stock of the Licensee; and/or (B) the sale of all or substantially all the Licensee's assets and/or business in one transaction or in a series of related transactions.

1.3 "Exclusive" means that, subject to Sections 3.2 and 3.3, University will not grant further licenses under the Licensed Patent or Licensed Patent Applications in the Field of Use in the Territory.

1.3 "Field of Use" means the field(s) of use described in section 2 of the EPLA.

1.4 "Licensed Patent" means the (i) the patent(s) described in section 5.1 and (ii) the patent applications described in Section 5.2 of the EPLA, along with any issued and unexpired patent(s) issued during the Term that arose out of and claim priority to such patent applications, such as for example, continuations, divisionals, continuation-in-part, or foreign applications. "Licensed Patent" also means any reissues or reexaminations of a Licensed Patent that contain one or more valid claims directed to Licensed Technology. Any claim of an unexpired Licensed Patent is presumed to be valid unless it has been held to be invalid by a final judgment of a court of competent jurisdictions from which no appeal can be or is taken.

1.6 “Licensed Product(s)” means any product or part of a product in the Field of Use:

(i) the making, using, importing or selling of which, absent this license, infringes, induces infringement, or contributes to infringement of a Licensed Patent; or

(ii) which is made with, uses, was derived from, identified or validated by, incorporates, or was developed in whole or in part using any Technical Information.

1.7 “Licensee” means the entity identified in section 1 of the EPLA.

1.9 “Net Sales” means all gross derived by Licensee, its Affiliates, or sublicensees, their distributors or designees from the sale, transfer or other disposition of Licensed Product to an end user. Net Sales excludes the following items: (i) all trade, quantity, and cash discounts actually allowed, (ii) all credits and allowances actually granted due to rejections, returns, billing errors, and retroactive price reductions, (iii) applicable duties, and (iv) applicable excise, sale and use taxes.

1.10 “Nonroyalty Sublicensing Consideration” means any consideration received by Licensee from a sublicensee other than (i) royalties on product sales (royalties on product sales by sublicensees will be treated as if Licensee made the sale of such product).

1.10 “Patent-Related Expenses” means costs and expenses (including out-of-pocket attorneys’ fees, patent agent fees and governmental filing fees) that the University incurs in prosecuting and maintaining the Licensed Licensed Patents.

1.11 “Performance Milestone” means an act or event specified in section 5.1 and described in section 9 of the EPLA.

1.16 “Territory” means the geographical area described in section 3 of the EPLA.

1.17 “Third Party” means any party other than the University or Licensee.

1.18 “University Indemnitees” means University, its respective regents, officers, employees, students, agents, faculty, representatives, and volunteers.

2. **Term.** The term of this Agreement commences on the Effective Date as defined in section 4 of the EPLA and, unless terminated earlier as provided in section 8, expires on the date on which both no Licensed Patent is active in the Territory and no Licensed Patent Application is pending in the Territory (the “Term”).

3. Grant of License.

3.1 The Licensee's Rights.

3.1.1 Licensed Patent. Subject to the terms and conditions of this Agreement, the University hereby grants to the Licensee an Exclusive license (sub-licensable if Section 7 of the EPLA is marked "Yes") under the Licensed Patent in the Field of Use to make, have made, use, import, offer to sell and sell Licensed Product in the Territory.

3.1.2 Technical Information (unless "None" is selected in Section 5.3 of the EPLA). Subject to the terms and conditions of this Agreement, the University hereby grants to the Licensee a non-exclusive license to use the Technical Information.

3.1.3 Specific Exclusion. University does not grant any other rights under this Agreement except as contained in Section 3.1.1 and 3.1.2. Except as may be provided under Section 3.1.2, the University does not agree to furnish to Licensee any technical information. Additionally, the University has not agreed to provide Licensee with any assistance under this Agreement.

3.2 The University's Retained Rights. The University retains on behalf of itself and all other non-profit research institutions, to practice the Licensed Patent for any non-profit purpose, including research, teaching, and educational purposes. Licensee agrees that, notwithstanding any other provision of this Agreement, it has no right to enforce the Licensed Patent against any such institution using the Licensed Patent for non-profit purposes.

3.3 Right of U.S. Government. [Applicable if Section 5 of the EPLA is checked "Yes."] This Agreement is subject to Title 35 Sections 200-204 of the United States Code. Among other things, these provisions provide the United States Government with nonexclusive rights in the Licensed Patent. They also impose the obligation that the Licensed Product sold or produced in the United States be "manufactured substantially in the United States." Licensee will ensure all obligations of these provisions are met.

4. Applications and Patents.

4.1 Pre-EPLA Patent Filings. The Licensee acknowledges that it has reviewed each Licensed Patent and each Licensed Patent Application and that it will not dispute the inventorship, validity, or enforceability of any of the claims made in a Licensed Patent or a Licensed Patent Application. The Licensee further represents that as of the Effective Date, it has not and does not manufacture, have manufactured, offer to sell, sell, offer to lease, lease, or import (a) any product or good that infringes (including under the doctrine of equivalents) a claim in any Licensed Patent or Licensed Patent Application, or (b) any product or good that is made using a process or machine that infringes (including under the doctrine of equivalents) a claim in a Licensed Patent or Licensed Patent Application.

4.2 Patent Application Filings during the Term of this Agreement.

4.2.1 The University, in consultation with the Licensee, shall determine in which countries patent application(s) will be filed and prosecuted with respect to the Licensed Technology. The University shall retain counsel of its choice to file and prosecute such patent applications. The University will inform the Licensee of the status of the prosecution of the patent application, including delivering to the Licensee pertinent notices, written and oral communications with governmental officials, and documents, and shall consult with the Licensee on the prosecution of the patent application. The Licensee shall cooperate with the University in the filing and prosecution of all patent applications with respect to the Licensed Technology. In furtherance of the foregoing, the Licensee shall notify the University, in writing, of the individual whom the Licensee has designated to consult and cooperate as provided in this subsection and is identified in section 13 of the EPLA. The Contact Person shall respond to the University's request for consultation and cooperation on a pending matter within five business days or sooner as may be required under the circumstances. If the Contact Person fails to respond in such time period, the University, exercising its own judgment and discretion, may respond to the matter as it deems appropriate. Except as provided in subsection 4.2.2, the Licensee shall reimburse the University for all Patent-Related Expenses as provided in section 6.3 and in section 6 of the EPLA.

4.2.2 The grant of license in section 3.1 and the definition of Territory in section 1.16 shall not extend to or include any country in which Licensee elects, in writing to the University, not to pay or reimburse the payment of the cost, in whole or in part, to seek or maintain intellectual property protection.

4.2.3 No provision of this Agreement limits, conditions, or otherwise affects the University's right to prosecute a patent application with respect to the Licensed Technology in any country. The University retains the sole and exclusive right to file or otherwise prosecute a patent application with respect to the Licensed Technology. In no event shall the Licensee file a patent application with respect to the Licensed Technology. The Licensee shall cooperate with the University in the filing and prosecution of all patent applications with respect to the Licensed Technology.

4.3 Rights in the Licensed Patents and Licensed Patent Applications. No provision of this Agreement grants the Licensee any rights, titles, or interests (except for the grant of license in subsection 3.1.1) in the Licensed Patents or Licensed Patent Applications, notwithstanding the Licensee's payment of all or any portion of the patent prosecution, maintenance, and related costs.

5. Commercialization.

5.1 Commercialization and Performance Milestones. The Licensee shall use its commercially reasonable efforts, consistent with sound and reasonable business practices and judgment, to commercialize the Licensed Technology and to manufacture and offer to sell and sell Licensed Products as soon as practicable and to maximize sales thereof. The Licensee shall perform, or shall cause to happen or be performed, as the case may be, all the performance milestones described in section 9 of the EPLA.

5.2 Covenants Regarding the Manufacture of Licensed Products. The Licensee hereby covenants and agrees that (i) the manufacture, use, sale, or transfer of Licensed Products shall comply with all applicable federal and state laws, including all federal export laws and regulations; and (ii) the Licensed Products shall not be defective in design or manufacture. The Licensee hereby further covenants and agrees that, pursuant to 35 United States Code Section 204, it shall, and it shall cause each sublicensee, to substantially manufacture in the United States of America all products embodying or produced through the use of an invention that is subject to the rights of the federal government of the United States of America.

5.3 Export and Regulatory Compliance. The Licensee understands that the Arms Export Control Act (AECA), including its implementing International Traffic In Arms Regulations (ITAR,) and the Export Administration Act (EAA), including its Export Administration Regulations (EAR), are some (but not all) of the laws and regulations that comprise the U.S. export laws and regulations. Licensee further understands that the U.S. export laws and regulations include (but are not limited to): (i) ITAR and EAR product/service/data-specific requirements; (ii) ITAR and EAR ultimate destination-specific requirements; (iii) ITAR and EAR end user-specific requirements; (iv) Foreign Corrupt Practices Act; and (v) antiboycott laws and regulations. The Licensee shall comply with all then-current applicable export laws and regulations of the U.S. Government (and other applicable U.S. laws and regulations) pertaining to the Licensed Products (including any associated products, items, articles, computer software, media, services, technical data, and other information). The Licensee certifies that it shall not, directly or indirectly, export (including any deemed export), nor re-export (including any deemed re-export) the Licensed Products (including any associated products, items, articles, computer software, media, services, technical data, and other information) in violation of U.S. export laws and regulations or other applicable U.S. laws and regulations. The Licensee shall include an appropriate provision in its agreements with its authorized sublicensees to assure that these parties comply with all then-current applicable U.S. export laws and regulations and other applicable U.S. laws and regulations.

5.4 Commercialization Reports. Throughout the Term and during the Post-termination Period, and within thirty (30) days of the date specified in the schedule set forth in section 10 of the EPLA, the Licensee shall deliver to the University written reports of the Licensee's and the sublicensees' efforts and plans to commercialize the Licensed Technology and to manufacture, offer to sell, or sell Licensed Products.

5.5 Use of the University's Name and Trademarks or the Names of University Faculty, Staff, or Students. No provision of this Agreement grants the Licensee or sublicensee any right or license to use the name, logo, or any marks owned by or associated with the University or the names, or identities of any member of the faculty, staff, or student body of the University. The Licensee shall not use and shall not permit a sublicensee to use any such logos, marks, names, or identities without the University's prior written approval.

5.6 Governmental Markings.

5.6.1 The Licensee shall mark all Licensed Products, where feasible, with patent notice appropriate under Title 35, United States Code.

5.6.2 The Licensee is responsible for obtaining all necessary governmental approvals for the development, production, distribution, sale, and use of any Licensed Product, at the Licensee's expense, including, without limitation, any safety studies. The Licensee is responsible for including with the Licensed Product any warning labels, packaging and instructions as to the use and the quality control for any Licensed Product.

5.6.3 The Licensee agrees to register this Agreement with any foreign governmental agency that requires such registration, and the Licensee shall pay all costs and legal fees in connection with such registration. The Licensee shall comply with all foreign laws affecting this Agreement or the sale of Licensed Products.

6. Payments, Reimbursements, Reports, and Records.

6.1 Payments. The Licensee shall pay all amounts due under this Agreement by check (payable to the "Regents of the University of Minnesota" and sent to the address specified in section 12.13), wire transfer, or any other mutually agreed-upon method of payment.

6.2 Interest. All amounts due under this Agreement shall bear interest at 12% per annum on the entire unpaid balance computed from the due date until the amount is paid.

6.3 Reimbursement of Patent-Related Expenses. The Licensee shall pay invoices for Patent-Related Expenses under this Agreement within thirty (30) days of its receipt of the University's invoice. With respect to each invoice, the University shall use reasonable efforts to specify the date on which the Patent-Related Expense was incurred and the purpose of the expense (including, as applicable, a summary of patent attorney services giving rise to the expense); provided, however, the University is not required to disclose to the Licensee any information that is protected by the University's attorney-client privilege. Patent-Related Expenses incurred as of the Effective Date are set forth in section 6 of the EPLA. The University reserves the right to require that Licensee provide and maintain a reasonable advance deposit with the University or some other form of security to ensure payment of Patent-Related Expenses.

6.4 Royalty Payments/Sales Reports. Within sixty (60) days after the last day of the second and fourth calendar quarters during the Term and the Post-termination Period, the Licensee shall deliver to the University a written sales report in the form acceptable to the University, recounting the number and Net Sales Amount (expressed in U. S. dollars) of all sales, leases, or other dispositions of Licensed Products, whether made by the Licensee or a sublicensee, during such semi-annual period. The Licensee shall deliver such written report to the University even if the Licensee is not required hereunder to pay to the University a payment for sales, leases, or other dispositions of Licensed Products during the semi-annual period. The Licensee shall deliver along with such sales reports its payment for royalties owed on all Net Sales of Licensed Products by the Licensee and the sublicensees during such semi-annual period.

6.5 Records Retention and Audit Rights.

6.5.1 Throughout the Term and the Post-termination Period and for five (5) years thereafter, the Licensee, at its expense, shall keep and maintain and shall cause each sublicensee and each non-affiliated Third Party that manufactures, sells, leases, or otherwise disposes of Licensed Products on behalf of the Licensee to keep and maintain complete and accurate records of all sales, leases, and other dispositions of Licensed Products during the Term and the Post-termination Period and all other records related to this Agreement.

6.5.2 In connection with an audit, the Licensee, upon written request, shall deliver to the University and its representatives true, correct and complete copies of all documents and materials (including electronic records) reasonably relevant to the Licensee's and sublicensees' performance of this Agreement, including, without limitation, all sublicenses granted.

6.5.3 To determine the Licensee's compliance with the terms of this Agreement, the University, at its expense (except as set forth in this subsection), may inspect and audit the Licensee's records referred to in subsection 6.5.1 at the Licensee's address as set forth in this Agreement or such other location(s) as the parties mutually agree during the Licensee's normal business hours. The Licensee shall cooperate in the audit, including providing at no cost, commodious space in the Licensee's place of business for the auditor. The Licensee shall reimburse the University for all its out-of-pocket expenses to inspect and audit such records if the University, in accordance with the results of such inspection and audit, determines that the Licensee has underpaid amounts owed to the University by at least three percent (3%) or twenty-five thousand dollars ($25,000), whichever is smaller, in a reporting period. The Licensee shall cause each sublicensee and each non-affiliated Third Party that manufactures, sells, leases, or otherwise disposes of Licensed Products on behalf of the Licensee to grant the University a right to inspect and audit the sublicensee's or Third Party's records substantially similar to the rights granted the University in this subsection. In connection with, and before the commencement of, an audit, if the Licensee requests in writing to the University, then prior to conducting such audit, the Licensee, the University and the auditor must enter into an agreement prohibiting the auditor and the University from disclosing the Licensee's nonpublic, proprietary information to any Third Party without the Licensee's prior written consent; provided, however, that consistent with generally accepted auditing standards and the auditor's professional judgment, the auditor may disclose such information to the University and its agents, counsel, or consultants. The Licensee acknowledges that such an agreement is adequate to protect its legitimate interests, and the parties agree that there shall be no additional nondisclosure agreement demanded as a condition to the commencement of an audit and the University's exercising its rights under this subsection.

6.6 Currency and Checks. All computations and payments made under this Agreement shall be in United States dollars. To determine the dollar value of transactions conducted in non-United States dollar currencies, the parties shall use the exchange rate for the currency into dollars as reported in the *Wall Street Journal* as the New York foreign exchange mid-range rate on the last business day of the month in which the transaction occurred.

7. Infringement.

7.1 If a party learns of substantial, credible evidence that a Third Party is making, using, or selling a product in the Field of Use in the Territory that infringes a Licensed Patent, such party shall promptly notify the other party in writing of the possible infringement and in such notice describe in detail the information suggesting infringement of the Licensed Patent. Prior to commencing any action to enforce a Licensed Patent, the parties shall enter into good faith negotiations on the desirability of bringing suit, the parties to the action, the selection of counsel, and such other matters as the parties may agree to discuss. No provision of this Agreement limits, conditions, or otherwise affects a party's statutory and common-law rights to commence an action to enforce a Licensed Patent. In any such action, the parties agree to cooperate fully with each other and will use reasonable efforts to permit access to relevant personnel, records, papers, information, samples and specimens during regular business hours. Any amounts recovered (less amounts actually paid for reasonable attorney's fees and legal expenses) by Licensee in any such action or settlement that constitute compensation for lost profits or sales will be considered subject to the royalty rate in subsection 11.4.1 of the EPLA. All other amounts recovered (less amounts actually paid for reasonable attorney's fees and legal expenses) by Licensee in such action or settlement shall be considered subject to the rate for Sublicense Revenues in subsection 11.5.2 of the EPLA.

7.2. If any suit, action or proceeding is brought or commenced against the Licensee alleging the infringement of a patent or other intellectual property right owned by a Third Party by reason of the manufacture, use or sale of Licensed Products, the Licensee shall give the University prompt notice thereof. If the validity of a Licensed Patent is questioned in such suit, action or proceeding, the Licensee shall have no right to make any settlement or compromise which affects the scope, validity, enforceability or otherwise the Licensed Patent without the University's prior written approval.

8. Termination.

8.1 University may terminate this Agreement if Licensee

(A) is delinquent on any report or payment;
(B) is not diligently developing and commercializing Licensed Product;
(C) misses a milestone under Section 11.9 of the EPLA;
(D) is in breach of any provision of this Agreement;
(E) provides any false report; or
(F) fails to enter into any of the following agreements by the dates indicated below; or having so entered in to the following agreements, defaults on any of the terms contained therein, or terminates the agreement(s).

- Sponsored research agreement within 90 days of the Effective Date of this Agreement with the University to carry out further research on (1) the TriKE platform including the cytokine linker and the best target antigens on cancer targets and (2) building on higher production systems that generate higher concentrations of TriKEs for expanded use beyond the initial bacterial production used for phase I testing.

Termination under this Section 8.1 will take effect 30 days after written notice by University unless Licensee remedies the default in that 30-day period.

8.2 Licensee may terminate this Agreement

(A) any time prior to the dosing of the first patient in a Phase I clinical trial upon payment of $200,000 to the University; or
(B) any time after the dosing of the first patient in a Phase I clinical trial upon payment of $75,000 to the University.

8.2 Surviving Provisions. Surviving any termination or expiration are:

(A) Licensee's obligation to pay royalties accrued or accruable;
(B) any claim of Licensee or University, accrued or to accrue, because of any breach or default by the other party; and
(C) the provisions of Articles 8, 9, and 10 and any other provision that by its nature is intended to survive.

9. Indemnification, and Insurance.

Licensee shall indemnify, hold harmless, and defend all University Indemnitees against any claim of any kind arising out of or related to the exercise of any rights granted Licensee under this Agreement or the breach of this Agreement by Licensee.

9.4 The Licensee's Insurance.

9.4.1 Throughout the Term, or during such other period as the parties agree in writing, the Licensee shall maintain, and shall cause each sublicensee to maintain, in full force and effect comprehensive general liability ("CGL") insurance, with single claim limits acceptable to the University. Such insurance policy shall include coverage for claims that may be asserted by the University against the Licensee under section 9.2 and for claims by a Third Party against the Licensee or the University arising out of the purchase or use of a Licensed Product. Such insurance policy must (i) name the University as an additional insured if the University so requests in writing and (ii) require the insurer to deliver written notice to the University at the address set forth in section 12.13, at least thirty (30) days before the termination of the policy. Upon receipt of the University's written request, the Licensee shall deliver to the University a copy of the certificate of insurance for such policy.

9.4.2 The provisions of subsection 9.4.1 do not apply if the University agrees in writing to accept the Licensee's or a sublicensee's, as the case may be, self-insurance plan as adequate insurance.

9.5 Sublicensees - Release. The Licensee shall cause each sublicensee to grant the University a release from liabilities substantially similar to the release granted in favor of the University in section 9.1.

10. Disclaimer of Warranties.

UNIVERSITY PROVIDES LICENSEE THE RIGHTS GRANTED IN THIS AGREEMENT AS IS AND WITH ALL FAULTS. UNIVERSITY MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. AMONG OTHER THINGS, THE UNIVERSITY EXPRESSLY DISCLAIMS ANY WARRANTIES CONCERNING AND MAKES NO REPRESENTATIONS:

(i) that the Licensed Patent Applications will be allowed or granted or that a patent will issue from any Licensed Patent Application;
(ii) concerning the validity, enforceability, interpretation of claims or scope of any Licensed Patent; or
(iii) that the exercise of the rights or licenses granted to the Licensee under this Agreement will not infringe a Third Party's patent or violate its intellectual property rights;
(iv) that the exploitation of Licensed Patent or Technology will be successful

10.3 Sublicensees - Warranties. The Licensee shall cause each sublicensee to give the University warranties and disclaimers and exclusions of warranties substantially similar to the warranty and disclaimers and exclusions of warranties in favor of the University in section 10.1 and subsections 10.2.1 and 10.2.2.

11. Damages.

11.1 **No Indirect Liability. University is not liable for any special, consequential, lost profit, expectation, punitive or other indirect damages in connection with any claim arising out of or related to this Agreement,**

12. General Terms

12.1 Access to University Information.

12.1.1 Data Practices Act. The parties acknowledge that the University is subject to the terms and provisions of the Minnesota Government Data Practices Act, Minnesota Statutes §13.01 *et seq.* (the "Act"), and that the Act requires, with certain exceptions, the University to permit the public to inspect and copy any information that the University collects, creates, receives, maintains, or disseminates.

12.1.2 Confidentiality. To the extent permitted by law, including as provided in the Act, the University shall hold in confidence and disclose only to University employees, agents and contractors who need to know the reports described in sections 5.4 and 6.4 and the records inspected in accordance with section 6.5 of the Terms and Conditions. No provision of this Agreement is to be construed to further prohibit, limit, or condition the University's right to use and disclose any information in connection with enforcing this Agreement, in court or elsewhere.

12.2 Amendment and Waiver. The Agreement may be amended from time to time only by a written instrument signed by the parties. No term or provision of this Agreement may be waived and no breach excused unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. No waiver of a breach is to be deemed a waiver of a different or subsequent breach.

12.3 Applicable Law and Forum Selection. The internal laws of the state of Minnesota, without giving effect to its conflict of laws principles, govern the validity, construction, and enforceability of this Agreement. A suit, claim, or other action to enforce the terms of this Agreement may be brought only in the state courts of Hennepin County, Minnesota. The Licensee hereby submits to the jurisdiction of that court and waives any objections it may have to that court asserting jurisdiction over the Licensee or its assets and property.

12.4 Assignment and Sublicense. Except as permitted under subsection 3.1.2 and section 12.5 of the Terms and Conditions, the Licensee shall not assign or sublicense its interest or delegate its duties under this Agreement. Any assignment, sublicense, or delegation attempted to be made in violation of this section is void. Absent the consent of all the parties, an assignment or delegation will not release the assigning or delegating party from its obligations. The Agreement inures to the benefit of the Licensee and the University and their respective permitted sublicensees and trustees.

12.5 Change of Control. Licensee may assign this Agreement as part of a Change of Control upon prior and complete performance of the following conditions:

(A) Licensee must give University 30 days prior written notice of the assignment, including the new assignee's contact information;

(B) the new assignee must agree in writing to University to be bound by this Agreement; and

(C) University must have received the full Change of Control Fee.

12.6 Collection Costs and Attorneys' Fees. If a party fails to perform an obligation or otherwise breaches one or more of the terms of this Agreement, the other party may recover from the non-performing breaching party all its reasonable costs (including actual attorneys' and investigative fees) to enforce the terms of this Agreement.

12.7 Consent and Approvals. Except as otherwise expressly provided, in order to be effective, all consents or approvals required under this Agreement must be in writing.

12.8 Construction. The headings preceding and labeling the sections of this Agreement are for the purpose of identification only and are not to be employed or used for the purpose of construction or interpretation of any portion of the EPLA. As used herein and where necessary, the singular includes the plural and vice versa, and masculine, feminine, and neuter expressions are interchangeable.

12.9 Enforceability. If a court of competent jurisdiction adjudges a provision of this Agreement to be unenforceable, invalid, or void, such determination is not to be construed as impairing the enforceability of any of the remaining provisions hereof and such provisions will remain in full force and effect.

12.10 Entire Agreement. The parties intend this Agreement (including all attachments, exhibits, and amendments hereto) to be the final and binding expression of their contract and agreement and the complete and exclusive statement of the terms thereof. The Agreement cancels, supersedes, and revokes all prior negotiations, representations and agreements among the parties, whether oral or written, relating to the subject matter of this Agreement.

12.11 Language and Currency. Unless otherwise expressly provided in this Agreement and in order to be effective, all notices, reports, and other documents and instruments that a party elects or is required to deliver to the other party must be in English, and all notices, reports, and other documents and instruments detailing revenues and earned under this Agreement or expenses chargeable to a party must be United States dollar denominated.

12.12 No Third-Party Beneficiaries. No provision of this Agreement, express or implied, is intended to confer upon any person other than the parties to this Agreement any rights, remedies, obligations, or liabilities hereunder. No sublicensee may enforce or seek damages under this Agreement.

12.13 Notices. In order to be effective, all notices, requests, and other communications that a party is required or elects to deliver must be in writing and must be delivered personally, or by facsimile or electronic mail (provided such delivery is confirmed), or by a recognized overnight courier service or by United States mail, first-class, certified or registered, postage prepaid, return receipt requested, to the other party at its address set forth below or to such other address as such party may designate by notice given under this section:

If to the University: University of Minnesota
Office for Technology Commercialization
200 Oak Street, SE
Suite 280
Minneapolis, MN 55455
Phone: 612.624.0550
Fax: 612.624.6554
E-mail: otcagree@umn.edu

For notices sent under section 8, with a copy to:	University of Minnesota Office of the General Counsel Attn: Transactional Law Services 360 McNamara Alumni Center 200 Oak Street S.E. Minneapolis, MN 55455-2006 Facsimile No.: 612.626.9624 E-mail: contracts@mail.ogc.umn.edu
If to the Licensee:	As indicated in section 12 of the EPLA

12.14 Relationship of Parties. In entering into, and performing their duties under this Agreement, the parties are acting as independent contractors and independent employers. No provision of this Agreement creates or is to be construed as creating a partnership, joint venture, or agency relationship between the parties. No party has the authority to act for or bind the other party in any respect.

12.15 Security Interest. In no event may the Licensee grant, or permit any person to assert or perfect, a security interest in the Licensee's rights under this Agreement.

12.16 Survival. Immediately upon the termination or expiration of this Agreement, except for certain rights granted for the Post-termination Period, all the Licensee's rights under this Agreement terminate; provided, however, the Licensee's obligations that have accrued before the effective date of termination or expiration (*e.g.*, the obligation to report and make payments on sales, leases, or dispositions of Licensed Products and to reimburse the University for costs) and the obligations specified in section 6.1 survive. The obligations and rights set forth in sections 6.4 and 8.3 and sections 9, 10, and 11 also survive the termination or expiration of this Agreement.

Exhibit 10.4

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement") dated as of September 3, 2015 (the "Effective Date"), is entered into between Daniel A. Vallera, an individual having a place of residence at _____ , Jeffrey Lion, an individual having a place of residence at _____ (collectively hereinafter "Licensor"), and Oxis Biotech, Inc., a Delaware corporation ("Company" or "Oxis"), having a place of business at 1402 North Beverly Drive, Beverly Hills, CA 90210 .

WHEREAS, Licensor owns or has rights in the Technology (as defined below).

WHEREAS, Oxis desires to obtain an exclusive license under Licensor's rights in the Technology on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the parties hereby agree as follows:

1. DEFINITIONS

For purposes of this Agreement, the terms defined in this Section 1 shall have the respective meanings set forth below:

1.1 "Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly controls, is controlled by, or is under common control with, such Person. A Person shall be regarded as in control of another Person if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock or other ownership interest of the other Person, or if it directly or indirectly possesses the power to direct or cause the direction of the management and policies of the other Person by any means whatsoever.

1.2 "Competent Authority(ies)" or "Competent Regulatory Authority(ies)" shall mean, collectively, (a) the governmental entities in each country or supranational organization that is responsible for the regulation of any Product intended for use in the Field or the establishment, maintenance and/or protection of rights related to the Licensed IP Rights (including the FDA, the EMEA and the MHLW), or (b) any other applicable regulatory or administrative agency in any country or supranational organization that is comparable to, or a counterpart of, the foregoing.

1.3 "EMEA" shall mean the European Agency for the Evaluation of Medicinal Products of the European Union, or the successor thereto.

1.4 "FDA" shall mean the Food and Drug Administration of the United States, or the successor thereto.

1.5 "Field" shall mean compounds and methods for the treatment of any disease, state or condition in humans.

1.6 "First Commercial Sale" shall mean, with respect to any Product, the first sale of such Product after all applicable marketing and pricing approvals (if any) have been granted by the applicable governing health authority of such country.

1.7 "Licensed IP Rights" shall mean, collectively, the Licensed Patent Rights and the Licensed Know-How Rights.

1.8 "Licensed Know-How Rights" shall mean all trade secret and other know-how rights in and to all data, information, compositions and other technology (including, but not limited to, formulae, procedures, protocols, techniques and results of experimentation, all CD19 scFv and CD22 scFv clones used to manufacture DT2219ARL, the aggregation reducing linker (ARL) technology used to manufacture DT2219ARL, and the mutated and deimmunized form of truncated diphtheria toxin used to manufacture DT2219ARL) which are necessary or useful for Oxis to make, use, develop, sell or seek regulatory approval to market a composition such as DT2219ARL, or to practice any method or process, at any time claimed or disclosed in any issued patent or pending patent application within the Licensed Patent Rights or which otherwise relates to the Technology.

1.9 "Licensed Patent Rights" shall mean (a) the patents and patent applications listed on Schedule A hereto, (b) all patents and patent applications in any country of the world that claim or cover the Technology in which Licensor heretofore or hereafter has an ownership or (sub)licensable interest, (c) all divisions, continuations, continuations-in-part, that claim priority to, or common priority with, the patent applications listed in clauses (a) - (b) above or the patent applications that resulted in the patents described in clauses (a) - (b) above, and (d) all patents that have issued or in the future issue from any of the foregoing patent applications, including utility, model and design patents and certificates of invention, together with any reissues, renewals, extensions or additions thereto.

1.10 "NDA" shall mean a New Drug Application, or similar application for marketing approval of a Product for use in the Field submitted to the FDA, or its foreign equivalent.

1.11 "Net Sales" shall mean, with respect to any Product, the gross sales price of such Product invoiced by Oxis or its Affiliate to customers who are not Affiliates (or are Affiliates but are the end users of such Product) less, to the extent actually paid or accrued by Oxis or its Affiliate (as applicable), (a) credits, allowances, discounts and rebates to, and chargebacks from the account of, such customers for nonconforming, damaged, out-dated and returned Product; (b) freight and insurance costs incurred by Oxis or its Affiliate (as applicable) in transporting such Product to such customers; (c) cash, quantity and trade discounts, rebates and other price reductions for such Product given to such customers under price reduction programs; (d) sales, use, value-added and other direct taxes incurred on the sale of such Product to such customers; (e) customs duties, tariffs, surcharges and other governmental charges incurred in exporting or importing such Product to such customers; (f) sales commissions incurred on the sale of such Product to such customers; and (g) an allowance for uncollectible or bad debts determined in accordance with generally accepted accounting principles.

1.12 "Net Sublicensing Revenues" shall mean, with respect to any Product, the aggregate cash consideration received by Oxis or its Affiliates in consideration for the sublicense under the Licensed Patent Rights or Licensed Know-How Rights by Oxis or its Affiliates to a Third Party sublicensee with respect to such Product (including royalties received by Oxis or its Affiliates based on sales of such Product by such sublicensee, but excluding amounts received to reimburse Oxis' or its Affiliates' cost to perform research, development or similar services conducted for such Product after signing the agreement with the Third Party, in reimbursement of patent or other out-of-pocket expenses relating to such Product, or in consideration for the purchase of any debt or securities of Oxis or its Affiliates).

1.13 "Person" shall mean an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

1.14 "Phase I Clinical Trial" shall mean a human clinical trial that is intended to initially evaluate the safety and/or pharmacological effect of a Product in subjects or that would otherwise satisfy requirements of 21 C.F.R. 312.21(a), or its foreign equivalent.

1.15 "Phase II Clinical Trial" shall mean a human clinical trial in any country that is intended to initially evaluate the effectiveness of a Product for a particular indication or indications in patients with the disease or indication under study or would otherwise satisfy requirements of 21 CFR 312.21(b), or its foreign equivalent.

1.16 "Phase III Clinical Trial" shall mean a human clinical trial in any country, the results of which could be used to establish safety and efficacy of a Product as a basis for an NDA or would otherwise satisfy requirements of 21 CFR 312.21(c), or its foreign equivalent.

1.17 "Product(s)" shall mean DT2219ARL, a CD19/CD22 bispecific scFv antibody-drug conjugate containing aggregation reducing linkers and a mutated and deimmunized form of a truncated diphtheria toxin for use in the Field that if made, used, sold, offered for sale or imported absent the license granted hereunder would infringe a Valid Claim, or that otherwise uses or incorporates the Licensed Know-How Rights.

1.18 "Registration(s)" shall mean any and all permits, licenses, authorizations, registrations or regulatory approvals (including NDAs) required and/or granted by any Competent Authority as a prerequisite to the development, manufacturing, packaging, marketing and selling of any product.

1.19 "Royalty Term" shall mean, with respect to each Product in each country, the term for which a Valid Claim remains in effect and would be infringed but for the license granted by this Agreement, by the use, offer for sale, sale or import of such Product in such country.

1.20 "Technology" shall mean all compositions, CD19 scFv producing clones, CD22 scFv producing clones, aggregation reducing linkers (ARL), mutated and deimmunized form of a truncated diphtheria toxin, formulae, procedures, formulations, methods of manufacture, *in vitro* data, and animal and human *in vivo* data related to Products, and all uses thereof for treating diseases in humans.

1.21 "Territory" shall mean worldwide.

1.22 "Third Party" shall mean any Person other than Licensor, Oxis and their respective Affiliates.

1.23 "Valid Claim" shall mean a claim of an issued and unexpired patent included within the Licensed Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

2. REPRESENTATIONS AND WARRANTIES

2.1 Mutual Representations and Warranties. Each party hereby represents and warrants to the other party as follows:

2.1.1 Such party is an individual, or is a corporation duly organized, validly existing and in good standing under the laws of the state in which it is incorporated.

2.1.2 Such party (a) has the power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder, and (b) has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 All necessary consents, approvals and authorizations of all governmental authorities and other Persons required to be obtained by such party in connection with this Agreement have been obtained.

2.1.4 The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws or regulations, and (b) do not conflict with, or constitute a default under, any contractual obligation of it.

2.2 Licensor Representations and Warranties. Licensor hereby represents and warrants to Oxis as follows:

2.2.1 Licensor (a) is the owner of the Licensed IP Rights and has the sole right to execute this Agreement, and has not granted to any Third Party any license or other interest in the Licensed IP Rights, (b) is not aware of any Third Party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in the Licensed Patent Rights or which constitutes Licensed Know-How Rights, or (ii) by making, using or selling Products, and (c) is not aware of any infringement or misappropriation by a Third Party of the Licensed IP Rights.

3. LICENSE GRANT

3.1 Licensed IP Rights. Licensor hereby grants to Oxis an exclusive license (with the right to grant sublicenses) under the Licensed IP Rights to conduct research and to develop, make, have made, use, offer for sale, sell, have sold, and import Products in the Territory for use in the Field.

3.2 Sublicenses. Licensor grants to Oxis the right to grant sublicenses to third parties, provided that (i) the Sublicensee agrees to abide by all the terms and provisions of this Agreement; (ii) Oxis remains fully liable for the performance of its and its Sublicensee's obligations hereunder; and (iii) Oxis notifies Licensor of any grant of a sublicense and provide to Licensor upon Licensor request a copy of any sublicense agreement.

3.3 Availability of the Licensed IP Rights. Licensor shall provide Oxis with a copy of all information available to Licensor relating to the Licensed IP Rights, Products or Technology, including without limitation: (a) regulatory submissions, (b) communications with the Competent Authorities (including the minutes of any meetings), (c) trial master files, including case report forms, (d) listings and tables of results from the clinical trials, (e) treatment-related serious adverse event reports from the clinical trials, (f) storage of and access permission to any retained samples of materials used in clinical trials, (g) manufacturing and quality control procedures and formulation procedures, and (h) access to CMOs and CROs involved in the clinical trials.

3.4 Registrations. Licensor acknowledges and agrees that Oxis shall own all Registrations for Products for use in the Field in each country in the Territory. Additionally, Licensor acknowledges and agrees that Oxis shall have the right to conduct pre-clinical and clinical development activities outside of the Territory. Licensor hereby grants to Oxis a free-of-charge right to reference and use and have full access to all other Registrations and all other regulatory documents that relate to the Licensed IP Rights, Products or Technology, including INDs, BLAs, NDAs and DMFs (whether as an independent document or as part of any NDA, and all chemistry, manufacturing and controls information), and any supplements, amendments or updates to the foregoing (for the purposes of this Section, the "Right of Reference"). Oxis shall have the right to (sub)license the Right of Reference to its sublicensees and Affiliates.

3.5 Access to Manufacturers. Licensor shall use his commercially reasonable efforts to provide access to Oxis to any suppliers of Products and any form of any Product for use in the Field on terms and conditions no less favorable than those terms and conditions between Licensor and such supplier.

4. FINANCIAL CONSIDERATIONS

4.1 Royalties.

4.1.1 Royalty Rate. During the applicable Royalty Term for a Product, subject to the terms and conditions of this Agreement, Oxis shall pay to Licensor royalties, with respect to each Product, equal to (a) THREE percent (3%) of Net Sales of such Product by Oxis and its Affiliates, and (b) TWENTY-FIVE percent (25%) of Net Sublicensing Revenues for such Product. Only one royalty shall be owing for a Product regardless of how many Valid Claims cover such Product for the life of the last to expire Patent in a country having Valid Claim.

4.1.2 Third Party Royalties. If Oxis, its Affiliates or sublicensees is required to pay royalties to any Third Party in order to exercise its rights hereunder to make, have made, use, sell, offer to sale or import any Product, then Oxis shall have the right to credit one percent (1%) of such Third Party royalty payments against the royalties owing to Licensor under Section 4.2.1 above with respect to sales of such Product in such country; provided, however, that Oxis shall not reduce the amount of the royalties paid to Licensor under Section 4.2.1 above by reason of this Section 4.2.2, with respect to sales of such Product in such country, to less than one percent (1%) of Net Sales of such Product in such country. In consideration of the right to sublicense third parties granted under Section 3.2, Oxis shall pay to Licensor ten percent (10%) of all royalties received by Oxis from its Sublicensees if the sublicense is executed on or before the first anniversary of the Effective Date of the License Agreement signed between the parties, and ten percent (10%) of all royalties received by Oxis from its Sublicensees if the Sublicense is executed thereafter. In no event, however, shall Oxis pay Licensor less than the amount which would have been due under Section 4.2.2 of this Agreement in the absence of a sublicense.

4.2 License Fee. Oxis shall pay Licensor a non-refundable license fee of ONE HUNDRED AND FIFTY THOUSAND dollars ($150,000.00) which shall be payable upon execution of this Agreement.

4.3 Milestone Payments. Oxis shall pay to Licensor the following clinical development milestone payments within thirty (30) days following the first achievement of the applicable milestone:

4.3.1 TWO HUNDRED FIFTY THOUSAND dollars ($250,000.00) due upon initiation of a Phase Ib/II clinical trial;

4.3.2 TWO HUNDRED FIFTY THOUSAND dollars ($250,000.00) due upon initiation of a Phase III clinical trial;

4.3.3 ONE MILLION dollars ($1,000,000.00) due upon receipt by Oxis of marketing approval by any Competent Regulatory Authority within the Territory.

Each of the foregoing Milestone Payments shall be paid only one time.

5. ROYALTY REPORTS AND ACCOUNTING

5.1 Royalty Reports. Within sixty (60) days after the end of each calendar quarter during the term of this Agreement following first to occur of the First Commercial Sale of a Product and the receipt by Oxis or its Affiliates of Net Sublicensing Revenues, Oxis shall furnish to Licensor a quarterly written report showing in reasonably specific detail (a) the calculation of Net Sales during such calendar quarter; (b) the calculation of Net Sublicensing Revenues for such quarter; (c) the calculation of the royalties, if any, that shall have accrued based upon such Net Sales and Net Sublicensing Revenues; (d) the withholding taxes, if any, required by law to be deducted with respect to such sales; and (e) the exchange rates, if any, used in determining the amount of United States dollars. With respect to sales of Products invoiced in United States dollars, the gross sales, Net Sales and royalties payable shall be expressed in United States dollars. With respect to (i) Net Sales invoiced in a currency other than United States dollars and (ii) cash consideration paid in a currency other than United States dollars by Oxis's sublicensees hereunder, all such amounts shall be expressed both in the currency in which the distribution is invoiced and in the United States dollar equivalent. The United States dollar equivalent shall be calculated using the average of the exchange rate (local currency per US$1) published in The Wall Street Journal, Western Edition, under the heading "Currency Trading" on the last business day of each month during the applicable calendar quarter.

5.2 Audits.

5.2.1 Upon the written request of Licensor and not more than once in each calendar year, Oxis shall permit an independent certified public accounting firm of nationally recognized standing selected by Licensor and reasonably acceptable to Oxis, at Licensor's expense, to have access during normal business hours to such of the financial records of Oxis as may be reasonably necessary to verify the accuracy of the payment reports hereunder for the eight (8) calendar quarters immediately prior to the date of such request (other than records for which Licensor has already conducted an audit under this Section.

5.2.2 If such accounting firm concludes that additional amounts were owed during the audited period, Oxis shall pay such additional amounts within thirty (30) days after the date Licensor delivers to Oxis such accounting firm's written report so concluding. The fees charged by such accounting firm shall be paid by Licensor; provided, however, if the audit discloses that the royalties payable by Oxis for such period are more than one hundred ten percent (110%) of the royalties actually paid for such period, then Oxis shall pay the reasonable fees and expenses charged by such accounting firm.

5.2.3 Licensor shall cause its accounting firm to retain all financial information subject to review under this Section 5.2 in strict confidence; provided, however, that Oxis shall have the right to require that such accounting firm, prior to conducting such audit, enter into an appropriate non-disclosure agreement with Oxis regarding such financial information. The accounting firm shall disclose to Licensor only whether the reports are correct or not and the amount of any discrepancy. No other information shall be shared. Licensor shall treat all such financial information as Oxis' Confidential Information.

6. PAYMENTS

6.1 Payment Terms. Royalties shown to have accrued by each royalty report provided for under Section 5 above shall be due on the date such royalty report is due. Payment of royalties in whole or in part may be made in advance of such due date.

6.2 Exchange Control. If at any time legal restrictions prevent the prompt remittance of part or all royalties with respect to any country in the Territory where the Product is sold, Oxis shall have the right, in its sole discretion, to make such payments by depositing the amount thereof in local currency to Licensor's account in a bank or other depository institution in such country. If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country shall be adjusted to the highest legally permissible or government-approved rate.

6.3 Withholding Taxes. Oxis shall be entitled to deduct the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such amounts, other than United States taxes, payable by Oxis, its Affiliates or sublicensees, or any taxes required to be withheld by Oxis, its Affiliates or sublicensees, to the extent Oxis, its Affiliates or sublicensees pay to the appropriate governmental authority on behalf of Licensor such taxes, levies or charges. Oxis shall use reasonable efforts to minimize any such taxes, levies or charges required to be withheld on behalf of Licensor by Oxis, its Affiliates or sublicensees. Oxis promptly shall deliver to Licensor proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such governmental authority with respect thereto.

7. RESEARCH AND DEVELOPMENT OBLIGATIONS

7.1 Research and Development Efforts. Oxis shall use its commercially reasonable efforts to conduct such research, development and preclinical and human clinical trials as Oxis determines are necessary or desirable to obtain regulatory approval to manufacture and market such Products as Oxis determines are commercially feasible in the Territory, and shall use its commercially reasonable efforts to obtain regulatory approval to market, and following approval to commence marketing and market each such Product in such countries in the Territory as Oxis determines are commercially feasible.

7.2 Records. Licensor and Oxis shall maintain records, in sufficient detail and in good scientific manner, which shall reflect all work done and results achieved in the performance of its research and development regarding the Products.

7.3 Reports. Within ninety (90) days following the end of each calendar year during the term of this Agreement, Licensor shall prepare and deliver to Oxis a written summary report which shall describe (a) the research performed to date employing the Licensed IP Rights, (b) the progress of the development, and testing of Products in clinical trials, and (c) the status of obtaining regulatory approvals to market Products.

8. CONFIDENTIALITY

8.1 For purposes of this Agreement “Confidential Information" means any and all information and material disclosed by the disclosing party to the recipient or obtained by recipient through inspection or observation of discloser’s property or facilities (before or after the signing of this Agreement, and whether in writing, or in oral, graphic, electronic or any other form), including, but not necessarily limited to, trade secret, know-how, idea, invention, process, technique, algorithm, program (whether in source code or object code form), hardware, device, design, schematic, drawing, formula, data, plan, strategy and forecast of, technical, engineering, manufacturing, product, marketing, all notes, books, papers, diagrams, documents, reports, memoranda, servicing, financial, personnel and other information and materials of, discloser and its employees, consultants, investors, affiliates, licensors, suppliers, vendors, customers, clients and other persons and entities, disclosed by one Party to the other.

8.2 Licensor and Oxis agree that the recipient of Confidential Information shall not disclose, cause, or permit to be disclosed said information to any third party or parties, subject to the exceptions contained herein, without the prior written consent of the disclosing Party.

8.3 Confidential Information may be disclosed to consultants, agents, and advisors of either Licensor or Oxis; provided, those to whom information or data is disclosed, regarding or concerning the matters contemplated herein, shall become parties to this Agreement or otherwise be bound to maintain such information in confidence under terms at least as protective as those provided herein. Either Party may also disclose such information as it deems appropriate to its employees provided such employees have a need to know. Licensor and Oxis agree to enforce the terms and provisions of this Agreement as to any such employee, consultant, agent or advisor who receives Confidential Information hereunder, and to assume liability for breach of this Agreement by any or all such persons.

8.4 Notwithstanding anything to the contrary contained herein, the recipient of Confidential Information disclosed hereunder shall be under no duty to maintain the confidentiality of any such information which it can reasonably establish:

8.4.1 At the time of disclosure is within the public domain;

8.4.2 After disclosure becomes a part of the public domain through no fault, act or failure to act, error, effort or breach of this Agreement by the recipient;

8.4.3 Is known to the recipient at the time of disclosure as evidenced by recipient's contemporaneous written documentation;

8.4.4 Is required by order, statute or regulation, of any government authority to be disclosed to any federal or state agency, court or other body, provided, however that any Party directed to disclose information pursuant to a subpoena or other legal compulsion shall use its best efforts under the circumstances to promptly notify the disclosing Party of same so as to provide or afford the disclosing Party the opportunity to obtain such protective orders or other relief as the compelling court or other entity may grant.

8.4.5 Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

8.5 Neither Licensor nor Oxis will use for its own purpose(s), nor cause or permit to be used by others, either directly or indirectly, any Confidential Information disclosed hereunder without the prior written consent of the Party making such disclosure.

9. PATENTS

9.1 Patent Prosecution and Maintenance. Oxis shall have the right to control, at its sole cost, the preparation, filing, prosecution and maintenance of all patents and patent applications within the Licensed Patent Rights. Oxis shall give Licensor an opportunity to review and comment on the text of each patent application subject to this Section 9.1 before filing, and shall supply Licensor with a copy of such patent application as filed, together with notice of its filing date and serial number. Licensor shall cooperate with Oxis, execute all lawful papers and instruments and make all rightful oaths and declarations as may be necessary in the preparation, prosecution and maintenance of all patents and other filings referred to in this Section 9.1. If Oxis, in its sole discretion, decides to abandon the preparation, filing, prosecution or maintenance of any patent or patent application in the Licensed Patent Rights, then Oxis shall notify Licensor in writing thereof and following the date of such notice (a) Licensor shall be responsible for and shall control, at its sole cost, the preparation, filing, prosecution and maintenance of such patents and patent applications, and (b) Oxis shall thereafter have no license under this Agreement to such patent or patent application.

9.2 Notification of Infringement. Each party shall notify the other party of any substantial infringement in the Territory known to such party of any Licensed Patent Rights and shall provide the other party with the available evidence, if any, of such infringement.

9.3 Enforcement of Patent Rights. Oxis, at its sole expense, shall have the right to determine the appropriate course of action to enforce Licensed Patent Rights or otherwise abate the infringement thereof, to take (or refrain from taking) appropriate action to enforce Licensed Patent Rights, to defend any declaratory judgments seeking to invalidate or hold the Licensed Patent Rights unenforceable, to control any litigation or other enforcement action and to enter into, or permit, the settlement of any such litigation, declaratory judgments or other enforcement action with respect to Licensed Patent Rights, in each case in Oxis' own name and, if necessary for standing purposes, in the name of Licensor and shall consider, in good faith, the interests of Licensor in so doing. If Oxis does not, within one hundred twenty (120) days of receipt of notice from Licensor, abate the infringement or file suit to enforce the Licensed Patent Rights against at least one infringing party in the Territory, Licensor shall have the right to take whatever action it deems appropriate to enforce the Licensed Patent Rights; provided, however, that, within thirty (30) days after receipt of notice of Licensor's intent to file such suit, Oxis shall have the right to jointly prosecute such suit and to fund up to one-half (½) the costs of such suit. The party controlling any such enforcement action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling party without the prior written consent of the other party. All monies recovered upon the final judgment or settlement of any such suit to enforce the Licensed Patent Rights shall be shared, after reimbursement of expenses, in relation to the damages suffered by each party. If Oxis does not receive sufficient monies from a final judgment or settlement to cover its expenses for such suit, Oxis shall have the right to credit up to fifty percent (50%) of such expenses against any royalties or other fees owing by Oxis pursuant to Section 4 above.

9.4 Cooperation. In any suit to enforce and/or defend the License Patent Rights pursuant to this Section 9, the party not in control of such suit shall, at the request and expense of the controlling party, reasonably cooperate and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

10. TERMINATION

10.1 Expiration. Subject to Sections 10.2 and 10.3 below, this Agreement shall expire on the expiration of Oxis' obligation to pay royalties to Licensor under Section 4.1 above. The license grant under Section 3.1 shall be effective at all times prior to such expiration and following such expiration of this Agreement (a) Oxis shall have a fully paid-up, non-exclusive license under the Licensed Know-How Rights to conduct research and to develop, make, have made, use, sell, offer for sale and import Products in the Territory for use in the Field, and (b) Sections 3.5 and 3.6 shall survive.

10.2 Termination by Oxis. Oxis may terminate this Agreement, in its sole discretion, upon thirty (30) days prior written notice to Licensor. This includes and is not limited to the failure of U.S. Patent Application Serial No. 13/256,812 to issue as a U.S. patent, or for Product to fail during clinical development.

10.3 Termination for Cause. Except as otherwise provided in Section 12, Licensor may terminate this Agreement upon or after the breach of any material provision of this Agreement by Oxis if Oxis has not cured such breach within ninety (90) days after receipt of express written notice thereof by Licensor; provided, however, if any default is not capable of being cured within such ninety (90) day period and Oxis is diligently undertaking to cure such default as soon as commercially feasible thereafter under the circumstances, Licensor shall have no right to terminate this Agreement.

10.3.1 Termination by Licensor: Estimated costs associated with DT2219 ARL are estimated to be $639,351.23 as per the University of Minnesota Clinical Trial Office's 3 year budget, hereby included as Exhibit A. Licensor may terminate this agreement if Oxis does not fund over the next three years all costs associated with the 30 subjects (patients) needed to finish the Phase 1-2 trial estimated to be $639,351.23. Oxis's obligations to Licensor shall be considered to be in compliance once the 30 subjects have been treated or if Oxis has paid $639,351.23 towards the budget for the Clinical trial, or the Clinical Trial is cancelled.

10.4 : Expiration or termination of this Agreement shall not relieve the parties of any obligation accruing prior to such expiration or termination, and the provisions of Sections 8, 11, 13 shall survive the expiration or termination of this Agreement brought about by a default or non-compliance by Licensor of any portion or provision of this agreement. Upon termination of this agreement, Licensor shall grant a direct license to any sublicense of Oxis hereunder having the same scope as such sublicense and on terms and conditions no less favorable to such sublicensee than the terms and conditions of this Agreement, provided that such sublicensee is not in default of any applicable obligations under this Agreement and agrees in writing to be bound by the terms and conditions of such direct license. However, upon any termination of this agreement brought about by a default or non-compliance of any portion or provision of this agreement by Licensee shall result in the revocation of Oxis's license and any sublicenses for DT2219 ARL (Product).

11. INDEMNIFICATION

11.1 Indemnification. Oxis shall defend, indemnify and hold Licensor harmless from all losses, liabilities, damages and expenses (including attorneys' fees and costs) incurred as a result of any claim, demand, action or proceeding arising out of any breach of this Agreement by Oxis, or the gross negligence or willful misconduct of Oxis in the performance of its obligations under this Agreement, except in each case to the extent arising from the gross negligence or willful misconduct of Licensor or the breach of this Agreement by Licensor.

11.2 Procedure. Licensor promptly shall notify Oxis of any liability or action in respect of which Licensor intends to claim such indemnification, and Oxis shall have the right to assume the defense thereof with counsel selected by Oxis. The indemnity agreement in this Section 11 shall not apply to amounts paid in settlement of any loss, claim, damage, liability or action if such settlement is effected without the consent of Oxis, which consent shall not be withheld unreasonably. The failure to deliver notice to Oxis within a reasonable time after the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve Oxis of any liability to Licensor under this Section 11, but the omission so to deliver notice to Oxis will not relieve it of any liability that it may have to Licensor otherwise than under this Section 11. Licensor under this Section 11, its employees and agents, shall cooperate fully with Oxis and its legal representatives in the investigation and defense of any action, claim or liability covered by this indemnification.

11.3 Insurance. Oxis shall maintain product liability insurance with respect to the research, development, manufacture and sales of Products by Oxis in such amount as Oxis customarily maintains with respect to the research, development, manufacture and sales of its similar products. Oxis shall maintain such insurance for so long as it continues to research, develop, manufacture or sell any Products, and thereafter for so long as Oxis customarily maintains insurance covering the research, development, manufacture or sale of its similar products.

12. FORCE MAJEURE

Neither party shall be held liable or responsible to the other party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement to the extent, and for so long as, such failure or delay is caused by or results from causes beyond the reasonable control of the affected party including but not limited to fire, floods, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or the other party.

13. MISCELLANEOUS

13.1 Notices. Any consent, notice or report required or permitted to be given or made under this Agreement by one of the parties hereto to the other party shall be in writing, delivered by any lawful means to such other party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and (except as otherwise provided in this Agreement) shall be effective upon receipt by the addressee.

Licensor: Daniel A. Vallera, Ph.D.

_____

_____

Jeffrey Lion

_____

_____

Oxis: Anthony Cataldo
Chairman & CEO
Oxis Biotech, Inc.
1402 North Beverly Drive
Beverly Hills, CA 90210

with a copy to: DLA Piper US
4365 Executive Drive, Suite 1100
San Diego, California 92130
Attention: Lisa A. Haile, Ph.D, Esq.

13.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof. All legal fees attributed to completion of any lawsuits brought on be either party will be the responsibility of the loosing party.

13.3 Assignment. Oxis shall not assign its rights or obligations under this Agreement without the prior written consent of Licensor; provided, however, that Oxis may, without such consent, assign this Agreement and its rights and obligations hereunder (a) to any Affiliate, or (b) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement.

13.4 Waivers and Amendments. No change, modification, extension, termination or waiver of this Agreement, or any of the provisions herein contained, shall be valid unless made in writing and signed by duly authorized representatives of the parties hereto.

13.5 Entire Agreement. This Agreement embodies the entire agreement between the parties and supersedes any prior representations, understandings and agreements between the parties regarding the subject matter hereof. There are no representations, understandings or agreements, oral or written, between the parties regarding the subject matter hereof that are not fully expressed herein.

13.6 Severability. Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof and without affecting the validity or enforceability of any of the terms of this Agreement in any other jurisdiction.

13.7 Waiver. The waiver by either party hereto of any right hereunder or the failure to perform or of a breach by the other party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

13.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.10 Bankruptcy. In the event Company enters into voluntary bankruptcy, involuntary bankruptcy, or such similar proceeding or order that would adversely affect its ability to perform its obligations hereunder, this Agreement shall terminate.

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

For LICENSOR:

By: /s/ Daniel A. Vallera
Name: Daniel A.Vallera, Ph.D.

By: /s/ Jeffrey Lion
Name: Jeffrey Lion

For Oxis Biotech Inc.:

By: /s/ Anthony J. Cataldo
Name: Anthony J. Cataldo
Title: Chairman & Chief Executive Officer

SCHEDULE A

LICENSED PATENT RIGHTS

1. USSN 13/256,812

Exhibit "A"

Sponsor Protocol #: HM2014-26
CPRC#: 2014LS093
TASCS 140244
MTI#:
Protocol Version Date: 4/28/2015
Full title: DT2219L Immunotoxin for the Treatment of Relapsed or Refractory CD19 (+) and/or CD 22 (+) B-Lineage Leukemia or Lymphoma
Short ID: Bachanova/UMCC/DT2219ARL/2014LS093/T 140244
Funding Source: LOI to Sponsor
PI: Veronica Bachanova, M.D.
PM: Roby Nicklow

	No. Subjects	TOTAL 3 year BUDGET 30	
UMN One time startup/close out			3 year enrollment period
UMN Study Staff startup/closeout	$	7,669.00	
OMI/OnCore	$	17,820.00	
UMN Regulatory startup/closeout	$	5,000.00	
Subtotal UMN one time startup/closeout	**$**	**30,516.00**	
UMN Annual study expenses			
Principal Investigator efforts	$	91,290.58	7% efforts per year over 2 years, 5% over 1 year see PI efforts tab for -
UMN Regulatory annual IND maintenance (Year 1: $3,533.50 plus 5% for subsequent yrs)	$	11,139.36	
UMN Regulatory annual study review (Year 1: $2,073.79 plus 5% for subsequent yrs)	$	6,537.62	
UMN Clinical staff study maintenance (Year 1: $1817 plus 5% for subsequent yrs)	$	5,097.69	
OMI/OnCore Support (Year 1: $5,500 plus 5% for subsequent yrs)	$	17,339.75	
IDS annual renewal (Year 1: $444 plus 5% for subsequent years)	$	1,399.71	
Outside Safety Report processing (Year 1: $30 per report plus 5% for subsequent yrs)	$	4,728.75	estimate 50 per year
UMN Staff with Monitor (Year 1: $732 plus 5% for subsequent yrs)	$	4,615.26	2 visit per year
Subtotal UMN annual study expenses	**$**	**142,147.63**	
Subject costs for 30 subjects (Year 1: $8,964.49 per pts plus 5% for subsequent yrs)	**$**	**287,858.24**	**see subject cost details tab**
Screen Fail (Year 1: $669 plus 5% for subsequent yrs)	**$**	**6,381.32**	**estimate 3 pts per year**
SAE reportings (Year 1: $439 per SAE plus 5% for subsequent yrs)	**$**	**41,518.43**	**estimate 3 per patient**
Total direct clinical study expenses	$	507,421.61	
F&A - 28% TDC	$	131,929.62	
TOTAL clinical study budget costs	**$**	**639,351.23**	

SCHEDULE B

ASSIGNMENT DOCUMENTS

1. Assignment document from University of Minnesota to Licensor granting exclusive ownership to patent family of USSN 13/256,812 to Licensor.

Schedule C

Clinical Services Agreement (To Be Added Upon Execution of the CSA as per 7.1.1)

Exhibit 31.1

CERTIFICATIONS

I, Tony Cataldo, certify that:

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

2. 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;

3. 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;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) 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 is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) 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

c) 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

5. The registrant's other certifying officer(s) and 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):

a) 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

b) 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: August 11, 2017

/s/ Tony Cataldo

Tony Cataldo

Chief Executive Officer, Chairman, and Director

Exhibit 31.2

CERTIFICATIONS

I, Steven Weldon, certify that:

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

2. 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;

3. 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;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) 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 is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) 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

c) 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

5. The registrant's other certifying officer(s) and 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):

a) 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

b) 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: August 11, 2017

/s/ Steven Weldon

Steven Weldon
CFO, President, Chief Accounting Officer, and

Director

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of GT Biopharma, Inc. (the "***Company***"), for the quarterly period ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "***Report***"), I, Tony Cataldo, Chief Executive Officer of the Company, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify, to my knowledge that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 15 U.S.C. 78m(a) or 780(d)); and

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

Date: August 11, 2107

/s/ Tony Cataldo
Tony Cataldo
Chief Executive Officer, Chairman, and
Director

A signed original of this written statement required by Section 906 has been provided to GT Biopharma, Inc. and will be retained by GT Biopharma, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of GT Biopharma, Inc. (the "***Company***"), for the quarterly period ended June 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "***Report***"), I, Steven Weldon, Chief Financial Officer of the Company, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify, to my knowledge that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 15 U.S.C. 78m(a) or 780(d)); and

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

Date: August 11, 2017

/s/ Steven Weldon
Steven Weldon
CFO, President, Chief Accounting Officer, and Director

A signed original of this written statement required by Section 906 has been provided to GT Biopharma, Inc. and will be retained by GT Biopharma, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.