

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

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2021.

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

For the transition period from ____ to ____.

Commission File Number 001-40023

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

Delaware
(State or other jurisdiction of
incorporation or organization)

94-1620407
(I.R.S. Employer
Identification Number)

9350 Wilshire Blvd. Suite 203
Beverly Hills, CA 90212
(Address of principal executive offices and zip code)

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

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

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

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

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

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of May 12, 2021, the issuer had 21,127,718 shares of common stock outstanding.

GT Biopharma, Inc. and Subsidiaries
FORM 10-Q
For the Quarter Ended March 31, 2021
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GT BIOPHARMA, INC AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
ASSETS:	(unaudited)	
Current assets		
Cash and cash equivalents	\$ 27,555,000	\$ 5,297,000
Prepaid expenses	88,000	364,000
Total Current Assets	<u>\$ 27,643,000</u>	<u>\$ 5,661,000</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	\$ 2,377,000	\$ 2,243,000
Accrued expenses	856,000	1,296,000
Accrued interest	-	4,838,000
Convertible notes payable (net of discount of \$4,519,000 at December 31, 2020)	-	26,303,000
Line of Credit	31,000	31,000
Derivative liability	362,000	383,000
Total current liabilities	<u>3,626,000</u>	<u>35,094,000</u>
Stockholders' Equity (Deficit):		
Convertible Preferred stock, par value \$0.01, 15,000,000 shares authorized:		
Series C - 96,230 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	1,000	1,000
Series J - 0 and 2,353,548 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	-	2,000
Series K - 0 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	-	-
Common stock, par value \$0.001, 2,000,000,000 shares authorized, 20,517,431 and 5,218,122 shares issued and outstanding as of March 31, 2021 and December 31, 2020, respectively	21,000	5,000
Common stock issuable, 7,634,000 shares at March 31, 2021	25,956,000	-
Additional paid in capital	623,287,000	566,356,000
Accumulated deficit	(625,079,000)	(595,628,000)
Non Controlling Interest	(169,000)	(169,000)
Total stockholders' equity (deficit)	<u>24,017,000</u>	<u>(29,433,000)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 27,643,000</u>	<u>\$ 5,661,000</u>

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

GT BIOPHARMA, INC AND SUBSIDIARIES
Condensed Consolidated Statements of Operations

	For the Three Months ended	
	March 31,	
	2021	2020
	(unaudited)	(unaudited)
Revenues	\$ -	\$ -
Operating Expenses:		
Research and development	1,640,000	324,000
Selling, general and administrative (including \$14,296,000 of stock compensation to officers and directors in 2021)	27,362,000	746,000
Loss from Operations	<u>29,002,000</u>	<u>1,070,000</u>
Other (Income) Expense		
Change in fair value of derivative liability	(21,000)	-
Interest expense	696,000	638,000
Total Other Expense, net	<u>675,000</u>	<u>638,000</u>
Net Loss	<u>\$ (29,677,000)</u>	<u>\$ (1,708,000)</u>
Net loss per share		
Basic and diluted	<u>\$ (1.83)</u>	<u>\$ (0.41)</u>
Weighted average common shares outstanding		
Basic and diluted	<u>16,239,938</u>	<u>4,122,178</u>

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

GT BIOPHARMA, INC AND SUBSIDIARIES
Condensed Consolidated Statements of Stockholders' Equity (Deficit) (unaudited)
For the three months ended March 31, 2021 and 2020

	Preferred Shares		Common Shares		Common Shares Issuable		Additional Paid in Capital	Accumulated Deficit	Non Controlling Interest	Total
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, December 31, 2020	2,449,778	\$ 3,000	5,218,122	\$ 5,000	-	\$ -	\$566,356,000	\$(595,628,000)	\$ (169,000)	\$(29,433,000)
Extinguishment of debt discount upon adoption of ASU 2020-06	-	-	-	-	-	-	(4,745,000)	226,000	-	(4,519,000)
Conversion of Preferred Series J to common stock	(2,353,548)	(2,000)	692,220	1,000	-	-	1,000	-	-	-
Common shares issued upon conversion of notes payable	-	-	3,779,322	4,000	7,634,000	25,956,000	12,846,000	-	-	38,806,000
Common shares issued upon exercise of warrants	-	-	94,824	-	-	-	58,000	-	-	58,000
Issuance of common stock in public offering, net of cost	-	-	4,945,000	5,000	-	-	24,674,000	-	-	24,679,000
Issuance of common stock for research and development agreement	-	-	189,753	-	-	-	1,355,000	-	-	1,355,000
Issuance of common stock for services	-	-	1,957,374	2,000	-	-	8,450,000	-	-	8,452,000
Equity compensation to officers and board of directors	-	-	3,640,816	4,000	-	-	14,292,000	-	-	14,296,000
Net loss								(29,677,000)		(29,677,000)
Balance, March 31, 2021	<u>96,230</u>	<u>\$ 1,000</u>	<u>20,517,431</u>	<u>\$ 21,000</u>	<u>7,634,000</u>	<u>\$ 25,956,000</u>	<u>\$623,287,000</u>	<u>\$(625,079,000)</u>	<u>\$ (169,000)</u>	<u>\$ 24,017,000</u>
Balance, December 31, 2019	2,449,778	\$ 3,000	69,784,699	\$ 70,000	-	\$ -	\$548,118,000	\$(567,332,000)	\$ (169,000)	\$(19,310,000)
Common shares issued upon conversion of notes payable	-	-	814,734	1,000	-	-	162,000	-	-	163,000
Net loss								(1,708,000)		(1,708,000)
Balance, March 31, 2020	<u>2,449,778</u>	<u>\$ 3,000</u>	<u>70,599,433</u>	<u>\$ 71,000</u>	<u>-</u>	<u>\$ -</u>	<u>\$548,280,000</u>	<u>\$(569,040,000)</u>	<u>\$ (169,000)</u>	<u>\$ (20,855,000)</u>

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

GT BIOPHARMA, INC AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows

	For the Three Months Ended	
	March 31,	
	2021	2020
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (29,677,000)	\$ (1,708,000)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of derivative liability	(21,000)	-
Stock based compensation - consultants and research and development	9,807,000	-
Stock based compensation - officers and board of directors	14,296,000	-
Convertible notes payable issued for consulting services	720,000	-
Effect of changes in assets and liabilities:		
Prepaid expenses	276,000	63,000
Accounts payable and accrued expenses	219,000	784,000
Accrued interest	696,000	638,000
Net Cash Used in Operating Activities	<u>(3,684,000)</u>	<u>(223,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	24,679,000	-
Proceeds from exercise of warrants	58,000	-
Proceeds from issuance of notes payable	1,205,000	200,000
Net Cash Provided by Financing Activities	<u>25,942,000</u>	<u>200,000</u>
Net Increase (Decrease) in Cash	22,258,000	(23,000)
Cash at Beginning of Period	5,297,000	28,000
Cash at End of Period	<u>\$ 27,555,000</u>	<u>\$ 5,000</u>
Cash paid during the year for:		
Interest	\$ -	\$ -
Income taxes paid	\$ -	\$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Common stock issued upon conversion of notes payable and accrued interest	\$ 38,806,000	\$ 162,000
Extinguishment of unamortized debt discount and adjustment to accumulated deficit upon adoption of ASU 2020-06	\$ 4,519,000	\$ -
Convertible notes payable issued for accrued expenses	\$ 1,525,000	\$ -

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

GT BIOPHARMA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
For the Three Months Ended March 31, 2021 and 2020

Note 1 – Organization and Operations

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

The Company is a clinical stage biopharmaceutical company focused on the development and commercialization of novel immuno-oncology products based off our proprietary Tri-specific Killer Engager (TriKE™), Tetra-specific Killer Engager (Dual Targeting TriKEDual Targeting TriKE) platforms. The Company's TriKE and Dual Targeting TriKE platforms generate proprietary therapeutics designed to harness and enhance the cancer killing abilities of a patient's own natural killer cells, or NK cells.

The accompanying condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 filed with the SEC on April 16, 2021 (the "2020 Annual Report"). The consolidated balance sheet as of December 31, 2020 included herein was derived from the audited consolidated financial statements as of that date.

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

Note 2 –Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. As reflected in the accompanying consolidated financial statements, for the three months ended March 31, 2021, the Company incurred a net loss of \$29.7 million and used cash in operating activities of \$3.7 million. These factors raise substantial doubt about the Company's ability to continue as a going concern within one year of the date that these financial statements are issued. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

During the three months ended March 31, 2021, the Company received net cash of \$24.7 million from the sale of 4,945,000 shares of its common stock pursuant to a public offering. At March 31, 2021, the Company had cash on hand in the amount of \$27.6 million. The Company's current operations have focused on business planning, raising capital, establishing an intellectual property portfolio, hiring, and conducting preclinical studies and clinical trials. The Company does not have any product candidates approved for sale and has not generated any revenue from product sales. The Company has sustained operating losses since inception and expects such losses to continue over the foreseeable future. Management is currently evaluating different strategies to obtain the required funding for future operations. These strategies may include but are not limited to: public offerings of equity and/or debt securities, payments from potential strategic research and development, and licensing and/or marketing arrangements with pharmaceutical companies. If the Company is unable to secure adequate additional funding, its business, operating results, financial condition and cash flows may be materially and adversely affected. Management estimates that the current funds on hand will be sufficient to continue operations through the next six months. The Company's ability to continue as a going concern is dependent upon its ability to continue to implement its business plan.

Note 3 – Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

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

In March 2011, the Company agreed to form a joint venture with engage:BDR, Inc., an on-line marketing company that offers both premium and placement-specific display marketing solutions and the ability to distribute campaigns through its own display platforms and channels. The first product to be marketed and sold through the Joint Venture was to be ErgoFlex™ product. In 2014 management of the Company decided to end the sale of any ErgoFlex product. The entity has been discontinued since 2014.

Reverse Stock Split

On February 10, 2021, the Company completed a 1:17 reverse stock split of the Company's issued and outstanding shares of common stock and all fractional shares were rounded up. All share and per share amounts in the accompanying financial statements have been adjusted retroactively to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented.

COVID-19

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

During the three months ended March 31, 2021, the Company believes the COVID-19 pandemic did impact its operating results. However, the Company has not observed any impairments of its assets or a significant change in the fair value of its assets due to the COVID-19 pandemic. At this time, it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations, financial condition, or liquidity.

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

Accounting Estimates

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

Stock-Based Compensation

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

Fair Value of Financial Instruments

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

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

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

The carrying amount of the Company's derivative liability of \$362,000 at March 31, 2021 and \$383,000 at December 31, 2020 was based on Level 2 measurements.

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

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the consolidated statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date. The fair value of the embedded derivatives are determined using a Binomial valuation method at inception and on subsequent valuation dates.

Net Loss Per Share

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

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

	<u>March 31,</u> <u>2021</u>	<u>March 31,</u> <u>2020</u>
A. Options to purchase common stock	-	3
B. Warrants to purchase common stock	5,318,867	106,650
C. Convertible notes payable	-	4,678,823
D. Convertible Series J Preferred stock	-	692,220
E. Convertible Series C Preferred stock	7	7
	<u>5,318,874</u>	<u>5,477,703</u>

Segments

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

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

Recent Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. Under ASU 2020-06, the embedded conversion features are no longer separated from the host contract for convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, or that do not result in substantial premiums accounted for as paid-in capital. Consequently, a convertible debt instrument will be accounted for as a single liability measured at its amortized cost, as long as no other features require bifurcation and recognition as derivatives. The new guidance also requires the if-converted method to be applied for all convertible instruments. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. Adoption of the standard requires using either a modified retrospective or a full retrospective approach. Effective January 1, 2021, we early adopted ASU 2020-06 using the modified retrospective approach. Adoption of the new standard resulted in a decrease to additional paid-in capital of \$4,519,000 (see Note 4).

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

Note 4 – Convertible Notes Payable

Convertible notes payable consisted of the following:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
A. Notes payable issued for cash	\$ -	\$ 24,085,000
B. Notes payable issued for settlement agreements	-	2,528,000
C. Notes payable issued for forbearance agreements	-	3,849,000
D. Notes payable issued for consulting services	-	360,000
	<u>-</u>	<u>30,822,000</u>
Less unamortized debt discount	-	(4,519,000)
Convertible notes, net of discount	<u>\$ -</u>	<u>\$ 26,303,000</u>

A. Notes Payable Issued for Cash

As part of the Company's financing activities, the Company issued convertible notes payable in exchange for cash. These notes payable were unsecured, bear interest at a rate of 10% per annum, mature in six months up to one year from the date of issuance, and are convertible to common stock at an average conversion rate of \$3.40 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 4.99%) and standard anti-dilution provisions. As of December 31, 2020, the outstanding balance of these notes amounted to \$24,085,000.

In January 2021, the Company issued similar notes payable in exchange for cash of \$1,205,000. On February 16, 2021 in accordance with the note agreements upon completion of the equity offering discussed in Note 7, these notes were mandatorily converted at a conversion rate of \$3.40 per share into 7,438,235 shares of the Company's common stock.

B. Notes Payable Issued for Settlement Agreements

In fiscal 2019 and 2020, the Company issued its convertible notes payable to resolve claims and disputes pertaining to certain debt and equity instruments issued by the Company in prior years. The notes were unsecured, bear interest at a rate of 10%, mature in six months up to one year from the date of issuance, and are convertible to common stock at a conversion rate of \$3.40 per share, as adjusted, subject to certain beneficial ownership limitations (with a maximum ownership limit of 4.99%) and standard anti-dilution provisions. As of December 31, 2020, outstanding balance of these notes payable for settlement agreements amounted to \$2,528,000.

On February 16, 2021 in accordance with the note agreements upon completion of the equity offering discussed in Note 7, these notes were mandatorily converted at a conversion rate of \$3.40 per share into 743,529 shares of the Company's common stock.

C. Notes Payable Issued for Forbearance Agreements

On June 23, 2020, the Company entered into Standstill and Forbearance Agreements (collectively, the "Forbearance Agreements") with the holders of \$13.2 million aggregate principal amount of the Convertible Notes (the "Default Notes"), which were in default. Pursuant to the Forbearance Agreements, the holders of the Default Notes agreed to forbear from exercising their rights and remedies under the Default Notes (including declaring such Default Notes (together with any default amounts and accrued and unpaid interest) immediately due and payable) until the earlier of (i) the date that the Company completes a future financing in the amount of \$15 million and, in connection therewith, commences listing on NASDAQ (collectively, the "New Financing") or (ii) January 31, 2021 (the "Termination Date"). As of December 31, 2020, outstanding balance of the notes payable amounted to \$3,849,000.

On February 16, 2021 in accordance with the note agreements upon completion of the equity offering discussed in Note 7, these notes were mandatorily converted at a conversion rate of \$3.40 per share into 1,132,059 shares of the Company's common stock.

D. Notes Payable issued for Consulting Agreements

In prior years, the Company issued its convertible notes payable in exchange for consulting services. These notes payable are unsecured, bear interest at a rate of 10% per annum, mature in six months up to one year from the date of issuance, and are convertible to common stock at an average conversion rate of \$3.40 per share, subject to certain beneficial ownership limitations (with a maximum ownership limit of 4.99%) and standard anti-dilution provisions. As of December 31, 2020, outstanding balance of these notes payable amounted to \$360,000

In January 2021, the Company issued similar notes payable of \$720,000 in exchange for consulting services. In addition, the Company also issued a note payable of \$525,000 in exchange for the cancellation of an unpaid consulting fees that was recorded as part of accrued expenses as of December 31, 2020.

On February 16, 2021 in accordance with the note agreements upon completion of the equity offering discussed in Note 7, these notes in the aggregate amount of \$1,605,000 were mandatorily converted at a conversion rate of \$3.40 per share into 472,059 shares of the Company's common stock.

As of December 31, 2020, the Company accrued interest of \$4,838,000 related to these convertible notes payable. During the period ended March 31, 2021, the Company accrued interest of \$696,000. As a result of the mandatory conversion of the Company's notes payable, on February 16, 2021, total accrued interest amounted to \$5,534,000 were converted to 1,627,647 shares of common stock.

As a result, total notes payable of \$33,272,000 and accrued interest of \$5,534,000 for a total of \$38,806,000 were mandatorily converted to 11,413,322 shares of common stock.

Adoption of ASU 2020-06

At December 31, 2020, the Company had recorded a note discount of \$4,519,000 to account for beneficial conversion feature that existed on the date of issuance for the above notes.

On January 1, 2021 the Company chose to adopt Accounting Standards Update ("ASU") 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. Under ASU 2020-06, the embedded conversion features are no longer required to be separated from the host contract for convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, or that do not result in substantial premiums accounted for as paid-in capital. The Company accounted for the adoption of this standard by charging opening additional paid in capital at January 1, 2021. In addition, pursuant to ASU 2020-06, the Company also adjusted accumulated deficit and additional paid in capital by \$226,000 to account the derecognition of the \$226,000 interest expense recorded in fiscal 2020.

Note 5 – Line of Credit

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% per annum.

As of March 31, 2021 and December 31, 2020, outstanding balance of this credit line amounted to \$31,000, respectively.

Note 6 – Derivative Liability

During the year ended December 31, 2020, the Company issued certain warrants that contained a fundamental transaction provision that could give rise to an obligation to pay cash to the warrant holder upon occurrence of certain change in control type events.

In accordance with ASC 480, the fair value of these warrants are classified as a liability in the Consolidated Balance Sheet and will be re-measured at the end of every reporting period with the change in value reported in the statement of operations.

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

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
Stock Price	\$ 6.84	\$ 7.21
Risk-free interest rate	0.92%	0.36%
Expected volatility	136%	135%
Expected life (in years)	4.4 years	4.6 years
Expected dividend yield	-	-
Fair Value:		
Warrants	<u>\$ 362,000</u>	<u>\$ 383,000</u>

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

During the three months ended March 31, 2021, the Company recognized a gain of \$21,000 to account the change in fair value of the derivative liability in accordance with ASC 842.

Note 7 – Stockholders' Equity (Deficit)

Common Stock Issuable

As a result, of the mandatory conversion of the notes payable and accrued interest in the aggregate of \$38,806,000 on February 16, 2021, the Company is obligated to issue a total of 11,413,322 shares of common stock to the respective noteholders.

As of March 31, 2021, the Company was only able to issue 3,779,322 shares of common stock or approximately 33% or \$12,850,000 of the converted notes payable and accrued interest to the respective noteholders. With regards to the remaining 7,634,000 unissued shares of common stock, the Company is in the process of obtaining the necessary supporting documentation from the respective noteholders which will then be provided to the Company's stock transfer agent as a requirement for the issuance of the common stock certificate.

For financial reporting purposes, the Company reported \$25,956,000 as common stock issuable in the accompanying statements of stockholders equity to account for the estimated balance of the converted notes payable and accrued interest that the Company has not yet issued the corresponding common stock.

Subsequent to March 31, 2021, the Company issued a total of 5,336,191 shares of common stock to these noteholders upon submission of the required documentation to the Company's stock transfer agent.

The following were transactions during the three months ended March 31, 2021:

Issuance of Common Stock in public offering

On February 16, 2021, the Company completed a public offering of 4,945,000 shares of common stock for net proceeds of \$24,679,000, after deducting underwriting discounts, commissions and other direct offering expenses. As part of the offering, the Company also granted these investors, warrants to purchase 5,192,250 shares of common stock. The warrants are fully vested, exercisable at \$5.50 per share and will expire in five years.

As a result of the completion of the public offering and the successful listing of its shares of common stock on the Nasdaq Capital Markets, convertible notes with an aggregate principal amount of \$33,272,000 and accrued interest of \$5,534,000 mandatorily converted at its stated conversion rate of \$3.40 per share into 11,413,322 shares of the Company's common stock (see Note 4).

Issuance of Common Stock for services - consultants

As part of consulting agreements with certain consultants, the Company agreed to grant these consultants common stock equal to 1% and 3% of the fully diluted shares of common stock of the Company upon conversion of options, warrants and Convertible Notes in association with a national markets qualified financing as consideration for entering into the Agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing). Pursuant to the agreement, approximately 75% of the common stock to be issued will vest immediately while the remaining 25% will vest over a period of two years.

On February 16, 2021, the Company completed its equity offering and listed its shares of common stock on the Nasdaq Capital Markets (see Note 7). As a result, the Company issued to these consultants 2,502,518 shares of common stock with a fair value of \$9,679,000. Pursuant to current accounting guidelines, as the grant of the common stock is subject to milestone or performance condition, the Company measured the fair value of the common stock on the respective date of the agreement, and then such award was recorded as compensation expense as the milestone or performance condition was met and in accordance with its vesting term of the grant.

During the period ended March 31, 2021, pursuant to the vesting terms of the agreements, the Company issued 1,807,374 shares of common stock to these consultants and recorded the corresponding stock compensation expense of \$7,239,000. In addition, the Company also issued 150,000 shares of common stock with a fair value of \$1,213,000 to other consultants for service rendered.

As of March 31, 2021, the fair value of 695,144 unvested shares to be recognized as compensation in future periods amounted to \$2,440,000.

Issuance of Common Stock for research and development agreement

During the three months ended March 31, 2021, the Company issued 189,753 shares of common stock for a research and development agreement valued at \$1,355,000. The common shares were valued on the market price at the date of grant.

Issuance of Common Stock upon exercise of warrants

During the three months ended March 31, 2021, the Company issued 94,824 shares of common stock upon the exercise of warrants resulting in cash proceeds of \$58,000.

Common Stock Issuable

As a result of the mandatory conversion of the notes payable and accrued interest in the aggregate of \$38,806,000 on February 16, 2021, the Company is obligated to issue a total of 11,413,322 shares of common stock to the respective noteholders.

As of March 31, 2021, the Company was only able to issue 3,779,322 shares of common stock or approximately 33% or \$12,850,000 of the converted notes payable and accrued interest to the respective noteholders. With regards to the remaining 7,634,000 unissued shares of common stock, the Company is in the process of obtaining the necessary supporting documentation from the respective noteholders which will then be provided to the Company's stock transfer agent as a requirement for the issuance of the common stock certificate.

For financial reporting purposes, the Company reported \$25,956,000 as common stock issuable in the accompanying statements of stockholders equity to account for the estimated balance of the converted notes payable and accrued interest that the Company has not yet issued the corresponding common stock.

Subsequent to March 31, 2021, the Company issued a total of 5,336,191 shares of common stock to these noteholders upon submission of the required documentation to the Company's stock transfer agent.

Preferred Stock

A. Series J Preferred Stock

On September 1, 2017, the Board designated 2,000,000 shares of Series J preferred stock (the “Series J Preferred Stock”). On the same day, the Board issued 1,513,548 shares of Series J Preferred Stock in exchange for the cancellation of certain indebtedness.

In the first quarter of 2019, it was discovered that a certificate of designation with respect to the Series J Preferred Stock had never been filed with the Office of the Secretary of State for the State of Delaware. Despite the fact the Company had issued shares of Series J Preferred Stock, the issuance of those shares was not valid and was of no legal effect.

To remedy the situation, on April 4, 2019, the Company filed a certificate of designation with the Office of the Secretary State for the State of Delaware designating a series of preferred stock as the Series J-1 preferred stock, par value \$0.01 per share (the “Series J-1 Preferred Stock”). On April 19, 2019, the Company issued 840,000 shares of Series J-1 Preferred Stock. The issuance was in lieu of the Series J Preferred Stock that should have been issued on September 1, 2017, and in settlement for not receiving preferred stock until 20 months after the debt for which the stock was issued was cancelled.

Shares of the Series J-1 Preferred Stock are convertible at any time, at the option of the holders, into shares of the Company’s common stock at an effective conversion price of \$3.40 per share, subject to adjustment for, among other things, stock dividends, stock splits, combinations, reclassifications of our capital stock and mergers or consolidations, and subject to a beneficial ownership limitation which prohibits conversion if such conversion would result in the holder (together with its affiliates) being the beneficial owner of in excess of 9.99% of the Company’s common stock or 692,220 shares of common stock. Shares of the Series J-1 Preferred Stock have the same voting rights a shares of the Company’s common stock, with the holders of the Series J-1 Preferred Stock entitled to vote on an as-converted-to-common stock basis, subject to the beneficial ownership limitation described above, together with the holders of the Company’s common stock on all matters presented to the Company’s stockholders. The Series J-1 Preferred Stock are not entitled to any dividends (unless specifically declared by the Board), but will participate on an as-converted-to-common-stock basis in any dividends to the holders of the Company’s common stock. In the event of the Company’s dissolution, liquidation or winding up, the holders of the Series J-1 Preferred Stock will be on parity with the holders of the Company’s common stock and will participate, on a on an as-converted-to-common stock basis, in any distribution to holders of the Company’s common stock. .

On February 16, 2021, as a result of the completion of the public offering and the successful listing of its shares of common stock on the Nasdaq Capital Markets, 2,353,548 shares of Series J Preferred stock mandatorily converted at a conversion rate of \$3.40 per share into 692,220 shares of the Company’s common stock.

B. Series C Preferred Stock

The 96,230 shares of Series C preferred stock, par value \$0.01 per share (the “Series C Preferred Stock”), are convertible into 7 shares of the Company’s common stock at the option of the holders at any time. The conversion ratio is based on the average closing bid price of the common stock for the fifteen consecutive trading days ending on the date immediately preceding the date notice of conversion is given, but cannot be less than \$3.40 or more than \$4.9113 common shares for each share of Series C Preferred Stock. The conversion ratio may be adjusted under certain circumstances such as stock splits or stock dividends. The Company has the right to automatically convert the Series C Preferred Stock into common stock if the Company lists its shares of common stock on the Nasdaq National Market and the average closing bid price of the Company’s common stock on the Nasdaq National Market for 15 consecutive trading days exceeds \$3,000.00. Each share of Series C Preferred Stock is entitled to the number of votes equal to 0.26 divided by the average closing bid price of the Company’s common stock during the fifteen consecutive trading days immediately prior to the date such shares of Series C Preferred Stock were purchased. In the event of liquidation, the holders of the Series C Preferred Stock shall participate on an equal basis with the holders of the common stock (as if the Series C Preferred Stock had converted into common stock) in any distribution of any of the assets or surplus funds of the Company. The holders of Series C Preferred Stock are entitled to noncumulative dividends if and when declared by the Company’s board of directors (the “Board”). No dividends to holders of the Series C Preferred Stock were issued or unpaid through March 31, 2021.

C. Series K Preferred Stock

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

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

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

Stock Warrants

Stock warrant transactions for the three months ended March 31, 2021:

	<u>Number of Warrants</u>	<u>Weighted Average Exercise Price</u>
Outstanding at December 31, 2020:	221,041	\$ 3.40
Granted	5,192,250	5.50
Forfeited/canceled	-	-
Exercised	(94,424)	3.23
Outstanding at March 31, 2021	<u>5,318,867</u>	<u>\$ 5.44</u>
Exercisable at March 31, 2021	<u>5,318,867</u>	<u>\$ 5.44</u>

As of March 31, 2021, all issued and outstanding warrants are fully vested and the intrinsic value of these warrants amounted to \$7,415,000.

The following were transactions during the three months ended March 31, 2021:

On February 16, 2021, as part of the Company's public offering, the Company issued warrants to investors to purchase up to an aggregate of 5,192,250 shares of common stock. The warrants have an exercise price of \$5.50 per share, subject to adjustment in certain circumstances and will expire in five years.

During the three months ended March 31, 2021, the Company issued 94,424 shares of common stock upon exercise of warrants which also resulted cash proceeds of \$58,000.

Note 8 – Related Party

During the period ended March 31, 2021, the Company recorded consulting expense of \$250,000 for services rendered by a consultant who is also an owner of approximately 10% of the Company's issued and outstanding common stock. In addition, the Company also issued a note payable to this consultant of \$525,000 in exchange for the cancellation of unpaid consulting fees of \$525,000 that was recorded as part of accrued expenses at December 31, 2020. There was no similar consulting expense incurred during the period ended March 31, 2020.

Note 9 – Equity Compensation to Officers and Board of Directors

As part of employment agreements with its CEO and its CFO, these officers were to receive a fully vested stock grant equal to aggregate of 10% and 1.5% of the fully diluted shares of common stock of the Company (calculated with the inclusion of the current stock holdings of Mr. Cataldo) upon conversion of options, warrants and Convertible Notes in association with a national markets qualified financing as consideration for entering into the Agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing). In addition, the Company also granted similar equity compensation to members of the Company's Board of Directors wherein these directors were to receive stock grant equal to 1% and 1.25% of the fully diluted shares of common stock of the Company. Pursuant to the agreement, approximately 75% of the common stock to be issued vested immediately while the remaining 25% will vest over a period of two years.

On February 16, 2021, the Company completed its equity offering and listed its shares of common stock on the Nasdaq Capital Markets (see Note 7). As such, 4,379,407 shares of its common stock were granted to these officers and directors which had a fair value of \$18,621,000. Pursuant to current accounting guidelines, as the grant of the common stock is subject to milestone or performance condition, the Company measured the fair value of the common stock on the respective date of the agreement, and then such award was recorded as compensation expense as the milestone or performance condition is met and in accordance with its vesting term of the grant.

During the period ended March 31, 2021, the Company recognized stock compensation of \$14,296,000 to account equity compensation to officers and directors of the 3,640,816 shares that vested.

As of March 31, 2021, the fair value of the 738,591 unvested shares that will be recognized as compensation in future periods amounted to \$4,325,000.

Note 10 – Commitments and Contingencies

1. Litigation

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

- a. On August 28, 2019, a complaint was filed in the Superior Court of California, County of Los Angeles, West Judicial District, Santa Monica Courthouse, Unlimited Civil Division by Jeffrey Lion, an individual (“Lion”), and by Daniel Vallera, an individual (“Vallera”). Lion and Vallera are referred to jointly as the “Plaintiffs”. The complaint was filed against GT Biopharma, Inc. and its subsidiary Oxis Biotech, Inc. (either of them or jointly, the “Company”). The Plaintiffs allege breach of a license agreement between the Plaintiffs and the Company entered into on or about September 3, 2015. Lion alleges breach of a consulting agreement between Lion and the Company entered into on or about September 1, 2015. Vallera alleges breach of a consulting agreement between Vallera and the Company entered into in or around October, 2018. The Complaint seeks actual damages of \$1,670,000, for the fair market value of the number of shares of GT Biopharma, Inc. that at the time of judgment represent 882,353 shares of such stock as of September 1, 2015, and that GT Biopharma, Inc. issue Lion the number of common shares of GT Biopharma, Inc. that at the time of judgment represent 882,353 such shares as of September 1, 2015. The Company filed an answer to the complaint denying many allegations and asserting affirmative defenses. Discovery has commenced and trial is scheduled for May, 2022. The Company believes the case is without merit and will defend it vigorously.
- b. On March 3, 2021 a complaint was filed by Sheffield Properties in the superior Court of California. County of Ventura. The litigation arises from a commercial lease entered into by GT Biopharma for office space in Westlake Village. GT Biopharma has been served but has not yet answered the complaint. Sheffield Properties seeks damages in excess of \$250,000. We intend to vigorously defend against these claims. We believe we have made adequate provision in our financial statements to provide for any potential settlement.

2. Research and Development Agreement:

We are party to an exclusive worldwide license agreement with the Regents of the University of Minnesota, to further develop and commercialize cancer therapies using TriKE technology developed by researchers at the university to target NK cells to cancer. Under the terms of the agreement, we receive exclusive rights to conduct research and to develop, make, use, sell, and import TriKE technology worldwide for the treatment of any disease, state or condition in humans. We are responsible for obtaining all permits, licenses, authorizations, registrations and regulatory approvals required or granted by any governmental authority anywhere in the world that is responsible for the regulation of products such as the TriKE technology, including without limitation the FDA in the United States and the European Agency for the Evaluation of Medicinal Products in the European Union. We are presently evaluating GTB-3550, our lead TriKE therapeutic product candidate in a Phase I/II clinical trial. Under the agreement, the University of Minnesota will receive an upfront license fee, royalty fees ranging from 4% to 6%, minimum annual royalty payments of \$0.25 million beginning in 2022, \$2.0 million in 2025, and \$5.0 million in 2027 and certain milestone payments totaling \$3.1 million.

During the period ended March 31, 2021, the Company recorded research and development expenses of \$224,000 pursuant to this agreement.

Note 11- Subsequent Events

Subsequent to March 31, 2021, the Company issued 1,274,096 shares of common stock upon exercise of warrants for cash proceeds of \$7,008,000.

Subsequent to March 31, 2021, the Company issued a total of 5,336,191 shares of common stock to noteholders whose notes payable and accrued interest were mandatorily converted to common stock on February 16, 2021 (see Note 4)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements in this Quarterly Report on Form 10-Q are "forward-looking statements" within the meaning of the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding our current beliefs, goals and expectations about matters such as our expected financial position and operating results, our business strategy and our financing plans. The forward-looking statements in this report are not based on historical facts, but rather reflect the current expectations of our management concerning future results and events. The forward-looking statements generally can be identified by the use of terms such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "guidance," "estimate," "potential," "outlook," "target," "forecast," "likely" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals are, or may be, forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. We cannot guarantee that our forward-looking statements will turn out to be correct or that our beliefs and goals will not change. Our actual results could be very different from and worse than our expectations for various reasons. You should review carefully all information, including the discussion of risk factors under "Part I. Item 1A: Risk Factors" and "Part II. Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Form 10-K for the year ended December 31, 2020. Any forward-looking statements in the Form 10-Q are made only as of the date hereof and, except as may be required by law, we do not have any obligation to publicly update any forward-looking statements contained in this Form 10-Q to reflect subsequent events or circumstances.

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

Overview

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

We are using our TriKE platform with the intent to bring to market immuno-oncology products that can treat a range of hematologic malignancies, sarcoma and solid tumors. The platform is scalable, and we are putting processes in place to be able to produce IND-ready moieties in a timely manner after a specific TriKE conceptual design. After conducting market and competitive research, specific moieties can then be advanced into the clinic on our own or through potential collaborations with larger companies. We are also evaluating, in conjunction with our Scientific Advisory Board, additional moieties designed to target different tumor antigens. We believe our TriKE may have the ability, if approved for marketing, to be used as a monotherapy, augment the current monoclonal antibody therapeutics, be used in conjunction with more traditional cancer therapy and potentially overcome certain limitations of current chimeric antigen receptor, or CAR-T, therapy.

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

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

Recent Developments

On February 16, 2021, we completed a public offering of 4,945,000 shares of common stock for net proceeds of \$24,679,000, after deducting underwriting discounts, commissions and other direct offering expenses. As part of the offering, we also granted these investors warrants to purchase 5,192,250 shares of common stock. The warrants are fully vested, exercisable at \$5.50 per share and will expire in five years.

As a result of the completion of the public offering and the successful listing of our shares of common stock on the Nasdaq Capital Markets, convertible notes with an aggregate principal amount of \$33,272,000 and accrued interest of \$5,534,000 mandatorily converted at its stated conversion rate of \$3.40 per share into 11,413,322 shares of our common stock (see Note 4 of the Financial Statements).

As part of consulting agreements with certain consultants, we agreed to grant these consultants shares of common stock equal to 1% and 3% of the fully diluted shares of our common stock upon completion of a qualified financing and listing on a national market as consideration for entering into such consulting agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing). Pursuant to the consulting agreement, approximately 75% of the common stock to be issued will vest immediately while the remaining 25% will vest over a period of two years.

On February 16, 2021, we completed a qualified equity offering and listing. As a result, we granted these consultants 2,502,518 shares of common stock. During the period ended March 31, 2021, pursuant to the vesting terms of the consulting agreements, we issued 1,807,374 shares of common stock to these consultants and recorded the corresponding stock compensation expense of \$7,239,000. In addition, we also issued 150,000 shares of common stock with a fair value of \$1,213,000 to other consultants for services rendered.

During the three months ended March 31, 2021, we also issued 189,753 shares of common stock for a research and development agreement valued at \$1,355,000. The common shares were valued on the market price at the date of grant.

During the three months ended March 31, 2021, we issued 94,824 shares of common stock upon the exercise of warrants resulting in cash proceeds of \$58,000.

On February 16, 2021, as a result of the completion of the public offering and the successful listing of our shares of common stock on the Nasdaq Capital Markets, 2,353,548 shares of Series J-1 Preferred Stock mandatorily converted at a conversion rate of \$3.40 per share into 692,220 shares of our common stock. (See Note 7 of our Financial Statements)

On February 16, 2021, as part of our public offering of common stock and warrants, we issued warrants to investors to purchase up to an aggregate of 5,192,250 shares of common stock. The warrants have an exercise price of \$5.50 per share, subject to adjustment in certain circumstances and will expire in five years. (See Note 7 of our Financial Statements)

As part of employment agreements with our CEO and CFO, these officers were to receive a fully vested stock grant of shares of common stock equal to aggregate of 10% and 1.5% of the fully diluted shares of our common stock (calculated with the inclusion of the current stock holdings of Mr. Cataldo) upon conversion of options, warrants and convertible notes in association with a national markets qualified financing as consideration for entering into the Agreement (with such stock to vest and be delivered within 30 days after the national markets qualified financing). In addition, we also granted similar equity compensation to members of our Board of Directors wherein these directors were to receive stock grant equal to 1% and 1.25% of the fully diluted shares of our common stock. Pursuant to these agreement, approximately 75% of the common stock to be issued will vest immediately while the remaining 25% will vest over a period of two years.

On February 16, 2021, as a result of the completion of the public offering and the successful listing of our shares of common stock on the Nasdaq Capital Markets, we granted 4,379,407 shares of common stock to these officers and directors which had a fair value of \$18,621,000.

Subsequent to March 31, 2021, we issued 1,274,096 shares of common stock upon exercise of warrants for cash proceeds of \$7,008,000.

Subsequent to March 31, 2021, we issued a total of 5,336,191 shares of common stock to noteholders whose notes payable and accrued interest were mandatorily converted to common stock on February 16, 2021 (see Note 4 of the Financial Statements)

On April 23, 2021, our Compensation Committee approved an amendment and restatement of the employment agreements of Anthony Cataldo, the Chief Executive Officer and Michael Handelman, the Chief Financial Officer. (See Part II, Item 5 of this report)

On April 23, 2021, Dr. Gregory Berk resigned as a director and accepted employment as our Chief Medical Officer. In connection with his appointment as Chief Medical Officer, the Compensation Committee approved a four year employment agreement for Dr. Berk. (See Part II, Item 5 of this report)

Results of Operations

Comparison of the Three Months Ended March 31, 2021 and 2020

Research and Development Expenses

During the three months ended March 31, 2021 and 2020, we incurred \$1,640,000 and \$324,000 research and development expenses, an increase of \$1,316,000. Research and development costs increased due primarily to the issuance of 189,753 shares of common stock as payment of a fee valued at \$1,355,000. We anticipate our direct clinical costs to increase in the remainder of 2021 upon the continuation of a phase one/two clinical trial of our most advanced TriKe product candidate, OXS-3550.

Selling, general and administrative expenses

During the three months ended March 31, 2021 and 2020, we incurred \$27,362,000 and \$746,000 of selling, general and administrative expenses. The increase in selling, general and administrative expenses is primarily attributable the increase in stock based compensation. In the period ended March 31, 2021 we incurred \$21,535,000 of stock based compensation, we incurred no such expenses during 2020.

Change in fair value of derivative liability

Change in fair value of derivative liability was a gain of \$21,000 for the three months ended March 31, 2021 and we had no such gain or loss for the same period in 2020.

Interest Expense

Interest expense was \$696,000 and \$638,000 for the three months ended March 31, 2021 and 2020 respectively. The increase is primarily due to the increase in the amount of outstanding convertible notes.

Liquidity and Capital Resources

The Company's current operations have focused on business planning, raising capital, establishing an intellectual property portfolio, hiring, and conducting preclinical studies and clinical trials. The Company does not have any product candidates approved for sale and has not generated any revenue from product sales. The Company has sustained operating losses since inception and expects such losses to continue over the foreseeable future. During the three months ended March 31, 2021, the Company raised the net amount of \$24.7 million through issuance of common stock, raised \$1.2 million from a series of issuances of convertible notes as compared to \$0.2 million during the same period in 2020. We anticipate that cash utilized for selling, general and administrative expenses will range between \$1 and \$2 million in the coming quarters, while research and development expenses will vary depending on clinical activities.

The financial statements of the Company have been prepared on a going-concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, the financial statements do not include any adjustments that might be necessary should the Company be unable to continue in existence.

The Company has incurred substantial losses and has cash of \$27.6 million as of March 31, 2021. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales or revenue from out-licensing of its products currently in development. Substantial additional financing will be needed by the Company to fund its operations and to commercially develop its product candidates. These factors raise substantial doubt about the Company's ability to continue as a going concern.

Management is currently evaluating different strategies to obtain the required funding for future operations. These strategies may include but are not limited to: public offerings of equity and/or debt securities, payments from potential strategic research and development, licensing and/or marketing arrangements with pharmaceutical companies. Management has also implemented cost saving efforts, including reduction in executive salaries and reduced travel. Management believes that these ongoing and planned financing endeavors, if successful, will provide adequate financial resources to continue as a going concern for at least the next nine months from the date the financial statements are issued; however, there can be no assurance in this regard. If the Company is unable to secure adequate additional funding, its business, operating results, financial condition and cash flows may be materially and adversely affected.

Critical Accounting Policies

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

Basis of Presentation and Principles of Consolidation

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

Reverse Stock Split

On February 10, 2021, the Company completed a 1:17 reverse stock split of the Company's issued and outstanding shares of common stock and all fractional shares were rounded up. All share and per share amounts in the accompanying financial statements have been adjusted retroactively to reflect the reverse stock split as if it had occurred at the beginning of the earliest period presented.

Accounting Estimates

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

Stock-Based Compensation

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

Inflation

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

Off-balance Sheet Arrangements

We have no off-balance sheet arrangements as of March 31, 2021.

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 (the “Exchange Act”)), as of March 31, 2021. Based on that evaluation we have concluded that our disclosure controls and procedures were not effective as of March 31, 2021 as a result of material weaknesses in internal control over financial reporting due to (i) inadequate segregation of duties, (ii) risks of executive override and (iii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both U.S. GAAP and SEC regulation, in each case, as described in “Item 9A. Controls and Procedures” in the Company’s Form 10-K for the year ended December 31, 2020.

The Company is taking steps, and intends to take additional steps, to mitigate the issues identified and implement a functional system of internal control over financial reporting. Such measures will include, but not be limited to: hiring of additional employees in our finance and accounting department; preparation of risk-control matrices to identify key risks and develop and document policies to mitigate those risks; and identification and documentation of standard operating procedures for key financial and SEC reporting activities.

Changes in Internal Control over Financial Reporting

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

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

On August 28, 2019, a complaint was filed in the Superior Court of California, County of Los Angeles, West Judicial District, Santa Monica Courthouse, Unlimited Civil Division by Jeffrey Lion, an individual (“Lion”), and by Daniel Vallera, an individual (“Vallera”). Lion and Vallera are referred to jointly as the “Plaintiffs”. The complaint was filed against GT Biopharma, Inc. and its subsidiary Oxis Biotech, Inc. (either of them or jointly, the “Company”). The Plaintiffs allege breach of a license agreement between the Plaintiffs and the Company entered into on or about September 3, 2015. Lion alleges breach of a consulting agreement between Lion and the Company entered into on or about September 1, 2015. Vallera alleges breach of a consulting agreement between Vallera and the Company entered into in or around October, 2018. The Complaint seeks actual damages of \$1,670,000, for the fair market value of the number of shares of GT Biopharma, Inc. that at the time of judgment represent 882,353 shares of such stock as of September 1, 2015, and that GT Biopharma, Inc. issue Lion the number of common shares of GT Biopharma, Inc. that at the time of judgment represent 882,353 such shares as of September 1, 2015. The Company filed an answer to the complaint denying many allegations and asserting affirmative defenses. Discovery has commenced and trial is scheduled for May, 2022. The Company believes the case is without merit and will defend it vigorously.

On March 3, 2021 a complaint was filed by Sheffield Properties in the superior Court of California. County of Ventura. The litigation arises from a commercial lease entered into by GT Biopharma for office space in Westlake Village. GT Biopharma has been served but has not yet answered the complaint. Sheffield Properties seeks damages in excess of \$250,000. We intend to vigorously defend against these claims. We believe we have made adequate provision in our financial statements to provide for potential settlement.

Item 1A. Risk Factors

Information regarding risk factors appears under “Risk Factors” included in Part I. Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2020. There have been no material changes from the risk factors previously disclosed in the above-mentioned periodic report.

Item 2. Unregistered Sales of Securities and Use of Proceeds

The Company made the following issuances of its unregistered equity securities pursuant exemptions contained in Section 4(a)(2) or 3(a)(9) of the Securities Act of 1933, as amended (the “Securities Act”) and/or Rule 506 of Regulation D promulgated thereunder that have not previously been reported:

- In January 2021, the Company entered into securities purchase agreements with certain purchasers pursuant to which the Company issues convertible notes in an aggregate principal amount of \$2,450,000, which notes are convertible into the Company’s common stock at an initial conversion price of \$0.20 per share.
- 11,413,322 shares of common stock on or after February 16, 2021, in connection with (i) the conversion of the Company’s convertible notes or debentures upon completion of the listing on Nasdaq and (ii) payments of interest in lieu of cash with respect to the Company’s convertible notes or debentures.
- 83,824 shares of common stock in connection with the exercise of certain settlement warrants on or after February 16, 2021.
- 692,220 shares of common stock in connection with the conversion of all outstanding shares of Series J-1 Preferred Stock on February 23 and March 17, 2021.
- 5,491,638 shares of common stock to certain of the Company’s directors, executive officers and consultants as compensatory bonuses after completion of the successful listing on the Nasdaq Capital Markets on February 11, 2021.
- 1,368,520 shares of common stock upon exercise of warrants for cash subsequent to December 31, 2020.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

On April 23, 2021, Dr. Gregory Berk resigned as a member of the Board of Directors (the “Board”).

On April 23, 2021, the Compensation Committee of the Board (the “Compensation Committee”) approved an amendment and restatement of the Employment Agreement with Anthony Cataldo, the Chief Executive Officer, increasing his annual base salary to \$500,000, setting his target bonus at 50% of his annual base salary, and extending the term of his agreement to four years. Upon the termination of Mr. Cataldo’s employment for any reason, Mr. Cataldo will receive his accrued but unpaid salary and vacation pay through the date of termination and any other benefits accrued to him under any benefit plans outstanding at such time, and the reimbursement of documented, unreimbursed expenses incurred prior to such date. Upon the termination of Mr. Cataldo employment without cause (as defined in the his Amended and Restated Employment Agreement) or upon Mr. Cataldo’s termination of his employment for good reason (as defined in his Amended and Restated Employment Agreement) prior to the end of the term of his Amended and Restated Employment Agreement, Mr. Cataldo shall also receive (i) a lump sum payment equal to the greater of the amount of his annual base salary (at the then-current rate) that he would have earned through the end of the term of the agreement, and 50% of his annual base salary, plus (ii) a lump sum payment equal to the greater of the bonus paid or payable to Mr. Cataldo for the immediately preceding year, and the target bonus under the performance bonus plan, if any, in effect during the immediately preceding year, plus (iii) monthly reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the for a period of the earlier of (a) one year and (b) the time Mr. Cataldo begins alternative employment wherein said insurance coverage is available and offered to Mr. Cataldo. All payments to Mr. Cataldo under his Amended and Restated Employment Agreement are subject to withholding of applicable taxes. Mr. Cataldo will also be designated for election to the Board during the term of his Amended and Restated Employment Agreement.

On April 23, 2021, the Compensation Committee also approved an amendment and restatement of the Employment Agreement with Michael Handelman, the Chief Financial Officer, increasing his annual base salary to \$375,000, setting his target bonus at 40% of his annual base salary and extending the term of his agreement to four years. Mr. Handelman entered into an Amended and Restated Employment Agreement with the memorializing the foregoing amendments, on terms substantially similar to those set forth in Mr. Cataldo’s Amended and Restated Employment Agreement, other than the obligation to designate Mr. Handelman for election to the Board.

On April 23, 2021, the Compensation Committee also approved the entry into an Employment Agreement with Dr. Gregory Berk pursuant to which Dr. Berk will serve as the Chief Medical Officer for a term of four years. Dr. Berk will receive an annual base salary of \$425,000 and is eligible to participate in the performance bonus plan or as otherwise determined by the Compensation Committee, with a target annual bonus of 40% of his annual base salary. Concurrent with his employment the granted Dr. Berk 208,543 shares of the common stock, vesting 25% on each of the first four annual anniversaries of the date of grant, subject to Dr. Berk’s continued service on each such vesting date, provided, that in the event of a change of control transaction, such shares shall immediately accelerate and vest. Such share award is contingent upon shareholder approval. The terms of Dr. Berk’s Employment Agreement are otherwise substantially similar to those set forth in Mr. Cataldo’s Amended and Restated Employment Agreement, other than the obligation to designate Dr. Berk for election to the Board.

Item 6. Exhibits

Exhibit	Description	Filed Herewith	Incorporated by Reference			Filing Date
			Form	Number	SEC File No.	
3.1	Restated Certificate of Incorporation as filed in Delaware September 10, 1996 and as thereafter amended through March 1, 2002		10-KSB	3.A	000-08092	04/01/2002
3.2	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., dated February 9, 2011		10-K	3.2	000-08092	03/31/2011
3.3	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of July 19, 2017		8-K/A	3.1	000-08092	03/15/2018
3.4	Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of February 10, 2021		8-K	3.1	001-40023	02/11/2021
3.5	Bylaws, as restated effective September 7, 1994 and as amended through April 29, 2003		10-QSB	3	000-08092	08/14/2003
4.1	Certificate of Designation of Preferences, Rights and Limitations of Series J-1 Preferred Stock of GT Biopharma, Inc., dated April 3, 2019		8-K	3.1	000-08092	04/05/2019
4.2	Certificate of Designation of Preferences, Rights and Limitations of Series K Preferred Stock of GT Biopharma, Inc., dated April 3, 2019		10-K	4.2	001-40023	04/16/2021
10.1	Amended and Restated Employment Agreement with Anthony Cataldo, dated April 23, 2021	X				
10.2	Amended and Restated Employment Agreement with Michael Handelman, dated April 23, 2021	X				
10.3	Amended and Restated Employment Agreement with Dr. Gregory Berk, dated April 23, 2021	X				
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.	X				
32.1 *	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer and Chief Financial Officer).	X				
101.INS	Inline XBRL Instance Document.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X				

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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GT Biopharma, Inc.

Dated: May 17, 2021

By: /s/ Anthony Cataldo

Anthony Cataldo
Chief Executive Officer, Chief Financial Officer and Chairman
of the Board

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the "Agreement") is made and entered into by and among GT Biopharma, Inc. ("Parent") and each of its subsidiaries (together with Parent, the "Company") and Anthony J. Cataldo ("Executive") as of April 23, 2021 (the "Effective Date"), and amends and restates that certain Employment Agreement among Executive and the Company dated August 11, 2020.

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

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

1. **Position and Duties:** Executive shall be employed by Parent and each of its subsidiaries as its Chief Executive Officer reporting to the Board of Directors of each Company. Executive agrees to devote the necessary business time, energy and skill to his duties at the Company, and will be permitted to engage in outside consulting and/or employment provided said services do not materially interfere with Executive's obligations to the Company under the terms of this Agreement. These duties of Executive under this Agreement shall include all those duties customarily performed by a company's Chief Executive Officer as well as providing advice and consultation on general corporate matters and other projects as may be assigned by the Board of Directors of each Company on an as needed basis. Executive shall perform his duties from Beverly Hills, California, unless mutually agreed by Executive and Parent. During the term of Executive's employment, Executive shall be permitted to serve on boards of directors of for-profit or not-for-profit entities provided such service does not adversely affect the performance of Executive's duties to the Company under this Agreement, and are not in conflict with the interests of the Company. Executive shall be nominated to stand for election to the Board of Directors as the Chairman of the Board of each Company annually so long as Executive remains as Chief Executive Officer of Parent. As the Chairman of the Board of each Company's Board of Directors, Executive shall continue to be subject to the provisions of each Company's corporate governing documents and all applicable laws relative to his position as a member of each such Board of Directors.
 2. **Term of Employment:** This Agreement shall remain in effect for a period of four years from the Effective Date and thereafter will automatically renew for successive one year periods unless either party provides ninety days' prior written notice of termination. Upon the termination of Executive's employment prior to the expiration of the term of this Agreement, Executive shall receive the applicable benefits set forth in this Agreement. Upon the termination of Executive's employment for any reason, neither Executive nor the Company shall have any further obligation or liability under this Agreement to the other, except as set forth below.
 3. **Compensation:** Executive shall be compensated by the Parent for his services to the Company as follows:
-

(a) **Base Salary:** Executive shall be paid a base salary of \$500,000 per year (the “Base Salary”), payable by Parent monthly in cash in accordance with Parent’s normal payroll procedures. Executive’s Base Salary shall be review on at least an annual basis and may be adjusted as appropriate, but in no event shall it be reduced to an amount below Executive’s Base Salary than in effect. In the event of such an adjustment, that amount shall become Executive’s Base Salary. Furthermore, during the term of this Agreement, in no event shall Executive’s compensation be less than any other officer or employee of the Company.

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

(c) **Performance Bonus:** Executive shall have the opportunity to earn a performance bonus of fifty percent (50%) of the Base Salary in accordance with the Parent’s Performance Bonus Plan if in effect (“Target Bonus”); if the Parent does not have a Performance Bonus Plan in effect at any given time during the term of this Agreement, then Parent’s Compensation Committee or Board of Directors shall have discretion as to determining bonus compensation for Executive.

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

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

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

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

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

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

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

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

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

(iv) reimbursement for the cost of medical, life, disability insurance coverage at a level equivalent to that provided by the Company for a period expiring upon the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained. Unless otherwise agreed to by Executive, the amount payable to Executive under subsections (i) through (iii), above, shall be paid to Executive in a lump sum within thirty (30) days following the Company's termination of Executive's employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) a liquidation or dissolution of Parent.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8. Restrictive Covenants:

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

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

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

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

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

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

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

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

9. **General:**

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

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

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

Anthony J. Cataldo

Email: ajc@gtbiopharma.com

Mailed notices to the Company shall be addressed as follows:

GT Biopharma, Inc.
9350 Wilshire Blvd., Suite 203
Beverly Hills, CA 90212
Attention: Board of Directors

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

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

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

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

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

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

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

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

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

[Signature Page Follows]

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

EXECUTIVE

/s/ Anthony J. Cataldo
Anthony J. Cataldo

GT BIOPHAMA, INC.

/s/ Michael Handelman
Michael Handelman
Chief Financial Officer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the "Agreement") is made and entered into by and among GT Biopharma, Inc. ("Parent") and each of its subsidiaries (together with Parent, the "Company") and Michael Handelman ("Executive") as of April 23, 2021 (the "Effective Date"), and amends and restates that certain Employment Agreement among Executive and the Company dated December 14, 2021.

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

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

1. **Position and Duties:** Executive shall be employed by Parent and each of its subsidiaries as its Chief Financial Officer reporting to the Chief Executive Officer of the Company. Executive agrees to devote the necessary business time, energy and skill to his duties at the Company, and will be permitted to engage in outside consulting and/or employment provided said services do not materially interfere with Executive's obligations to the Company under the terms of this Agreement. These duties of Executive under this Agreement shall include all those duties customarily performed by a company's Chief Financial Officer as well as providing advice and consultation on general corporate matters and other projects as may be assigned by the Chief Executive Officer of the Company on an as needed basis. Executive shall perform his duties from Beverly Hills, California, unless mutually agreed by Executive and Parent. During the term of Executive's employment, Executive shall be permitted to serve on boards of directors of for-profit or not-for-profit entities provided such service does not adversely affect the performance of Executive's duties to the Company under this Agreement, and are not in conflict with the interests of the Company.
 2. **Term of Employment:** This Agreement shall remain in effect for a period of four years from the Effective Date and thereafter will automatically renew for successive one year periods unless either party provides ninety days' prior written notice of termination. Upon the termination of Executive's employment prior to the expiration of the term of this Agreement, Executive shall receive the applicable benefits set forth in this Agreement. Upon the termination of Executive's employment for any reason, neither Executive nor the Company shall have any further obligation or liability under this Agreement to the other, except as set forth below.
 3. **Compensation:** Executive shall be compensated by the Parent for his services to the Company as follows:
 - (a) **Base Salary:** Executive shall be paid a base salary of \$375,000 per year (the "Base Salary"), payable by Parent monthly in cash in accordance with Parent's normal payroll procedures. Executive's Base Salary shall be review on at least an annual basis and may be adjusted as appropriate, but in no event shall it be reduced to an amount below Executive's Base Salary than in effect. In the event of such an adjustment, that amount shall become Executive's Base Salary.
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(b) **Benefits:** Executive shall have the right, on the same basis as other senior executives of the Company, to participate in and to receive benefits under any of the Company's employee benefit plans, medical insurance (which extends to Executive's immediate family), as such plans may be modified from time to time, and provided that in no event shall Executive receive less than (4) four weeks paid vacation per annum, (6) six paid sick days per annum, and (5) five paid personal days per annum.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained. Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following the Company's termination of Executive's employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

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

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

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

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

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform the Parent that new employment has been obtained. Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following Executive's termination of employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) a liquidation or dissolution of Parent.

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

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

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

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

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

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

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

(vi) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(d)(iv), above. The effective date of any resignation from employment by Executive for Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

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

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

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

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

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

(v) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(e)(iii), above. The effective date of any resignation from employment by Executive for Non Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

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

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

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

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

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

8. Restrictive Covenants:

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

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

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

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

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

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

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

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

9. **General:**

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

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

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

Michael Handelman

Email: mhandelmangroup@gmail.com

Mailed notices to the Company shall be addressed as follows:

GT Biopharma, Inc.
9350 Wilshire Blvd., Suite 203
Beverly Hills, CA 90212
Attention: Chief Executive Officer

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

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

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

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

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

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

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

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

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

[Signature Page Follows]

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

EXECUTIVE

/s/ Michael Handelman
Michael Handelman

GT BIOPHAMA, INC.

/s/ Anthony J. Cataldo
Anthony J. Cataldo
Chief Executive Officer

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into by and among GT Biopharma, Inc. ("Parent") and each of its subsidiaries (together with Parent, the "Company") and Dr. Gregory Berk ("Executive") as of April __, 2021 (the "Effective Date").

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

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

- 1. Position and Duties:** Executive shall be employed by Parent and each of its subsidiaries as its Chief Medical Officer reporting to the Chief Executive Officer of the Company. Executive agrees to devote his business time, energy and skill to his duties at the Company, and solely upon prior written approval of the Chief Executive Officer of the Company will be permitted engage in outside consulting and/or employment provided said services do not materially interfere with Executive's obligations to the Company under the terms of this Agreement. These duties of Executive under this Agreement shall include all those duties customarily performed by a company's Chief Medical Officer as well as providing advice and consultation on general corporate matters and other projects as may be assigned by the Chief Executive Officer of the Company on an as needed basis. Executive shall perform his duties from Massachusetts, unless mutually agreed by Executive and Parent. During the term of Executive's employment and solely upon prior written approval of the Chief Executive Officer of the Company, Executive shall be permitted to serve on boards of directors of for-profit or not-for-profit entities provided such service does not adversely affect the performance of Executive's duties to the Company under this Agreement, and are not in conflict with the interests of the Company. Concurrent with his employment as the Chief Medical Officer of Parent and each of its subsidiaries Executive shall resign as a member of the Board of Directors of Parent and each of its subsidiaries, as applicable. Notwithstanding the foregoing, the shares granted to Executive pursuant to that certain Board Service Agreement attached hereto as Exhibit A shall continue to vest during the term of Executive's employment.
 - 2. Term of Employment:** This Agreement shall remain in effect for a period of four years from the Effective Date and thereafter will automatically renew for successive one year periods unless either party provides ninety days' prior written notice of termination. Upon the termination of Executive's employment prior to the expiration of the term of this Agreement, Executive shall receive the applicable benefits set forth in this Agreement. Upon the termination of Executive's employment for any reason, neither Executive nor the Company shall have any further obligation or liability under this Agreement to the other, except as set forth below.
-

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

(a) **Base Salary:** Executive shall be paid a base salary of \$425,000 per year (the "Base Salary"), payable by Parent monthly in cash in accordance with Parent's normal payroll procedures. Executive's Base Salary shall be review on at least an annual basis and may be adjusted as appropriate, but in no event shall it be reduced to an amount below Executive's Base Salary than in effect. In the event of such an adjustment, that amount shall become Executive's Base Salary.

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

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

(d) **General Grant:** On the Effective Date Executive shall be granted 208,543 shares of common stock of the Company, vesting 25% on each of the first four annual anniversaries of the date of grant, subject to Executive's continued service on each such vesting date, provided, that in the event of a change of control transaction, such shares shall immediately accelerate and vest.

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

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

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

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

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

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

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

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

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

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

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

(d) Termination Without Cause in the Absence of Change in Control: In the event that Executive's employment terminates as a result of a Non Change in Control Period Involuntary Termination, then Executive shall receive the following benefits:

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

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

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

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform Parent that new employment has been obtained. Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following the Company's termination of Executive's employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

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

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

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

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

(iv) reimbursement for the cost of medical, life and disability insurance coverage at a level equivalent to that provided by the Company for a period of the earlier of: (a) one year; or (b) the time Executive begins alternative employment wherein said insurance coverage is available and offered to Executive. It shall be the obligation of Executive to inform the Parent that new employment has been obtained. Unless otherwise agreed to by Executive, the amount payable to the Executive under subsections (i) through (iii) above shall be paid to Executive in a lump sum within thirty (30) days following Executive's termination of employment. The amounts payable under subsection (iv) shall be paid monthly during the reimbursement period.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iv) a liquidation or dissolution of Parent.

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

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

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

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

(iii) a requirement that Executive relocate from Massachusetts;

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

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

(vi) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(d)(iv), above.
The effective date of any resignation from employment by Executive for Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

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

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

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

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

(iv) a requirement that Executive relocate from Massachusetts; or

(v) any purported termination of Executive's employment for "material breach of contract" which is purportedly effected without providing the "cure" period, if applicable, described in Section 5(e)(iii), above.
The effective date of any resignation from employment by Executive for Non Change in Control Period Good reason shall be the date of notification to Parent of such resignation from employment by Executive.

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

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

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

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

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

8. **Restrictive Covenants:**

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

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

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

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

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

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

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

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

9. **General:**

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

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

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

Dr. Gregory Berk

Email:

Mailed notices to the Company shall be addressed as follows:

GT Biopharma, Inc.
9350 Wilshire Blvd., Suite 203
Beverly Hills, CA 90212

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

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

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

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

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

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

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

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

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

[Signature Page Follows]

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

EXECUTIVE

/s/ Dr. Gregory Berk
Dr. Gregory Berk

GT BIOPHAMA, INC.

/s/ Anthony J. Cataldo
Anthony J. Cataldo
Chief Executive Officer

EXHIBIT A

BOARD SERVICE AGREEMENT

GT Biopharma, Inc., (“GT” or the “Company”) appoints, as of November 11, 2020, Gregory Berk (“Director”) to its board of directors for an initial term of two years, and as may be extended under the Company’s bylaws.

1. Commencement Date. November 11, 2020

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

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

4. Compensation.

a. Company shall pay the Director for the services of Director, an annual stipend of \$20,000.00 for Director compensation, an additional \$5,000.00 annually for Chairing the Compensation Committee and \$5,000.00 annually as a member of the Nominating Committee, due quarterly (fourth quarter payment will be pro-rata reflecting the seven weeks remaining in the quarter after the November 11th start date) and reimbursement of all reasonable expenses for service of his duties. Said fee shall cover all services including attendance at board and telephonic meetings and service as committee chair and/or member. Director shall be paid quarterly on the first day of each quarter. Upon completion of a National Listing and financing, the board will review the current compensation board packages.

b. The Company will grant Director a stock award of shares of common stock of the Company equal to 1.00% of the number of fully diluted shares of common stock of the Company calculated on the fully diluted equity of the company upon the company’s National Exchange financing date. Such stock award will vest in three equal tranches with the first tranche vesting on November 11, 2020 upon joining the board, the second tranche vesting on November 11, 2021 and the final tranche vesting on November 11, 2022. In the event of a change of control transaction, such stock award shall immediately accelerate and vest and the Company shall pay Director the fair value of such shares in cash in exchange therefore.

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

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

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

GT Biopharma, Inc.,

Signature: /s/ Anthony Cataldo

Name: Anthony Cataldo, Chairman and Chief Executive Officer

Director: Gregory Berk

Signature: /s/ Gregory Berk

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Anthony Cataldo, certify that:

- a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- d. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - i) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - iii) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - iv) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- e. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - i) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 17, 2021

By: /s/ Anthony Cataldo

Name: Anthony Cataldo

Title: Chief Executive Officer, Chairman and Director

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Michael Handelman, certify that:

- a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;
- b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- d. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - i) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - iii) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - iv) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- e. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - i) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 17, 2021

By: /s/ Michael Handelman

Name: Michael Handelman

Title: Chief Financial Officer and Principal Accounting Officer

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

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

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2021 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Date: May 17, 2021

By: /s/ Anthony Cataldo

Name: Anthony Cataldo

Title: Chief Executive Officer, Chairman and Director

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

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

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2021 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Date: May 17, 2021

By: /s/ Michael Handelman

Name: Michael Handelman

Title: Chief Financial Officer and Principal Accounting Officer
