

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON**

IN RE GALENA BIOPHARMA, INC.
SECURITIES LITIGATION,

Case No. 3:14-cv-00367-SI

NOTICE OF SETTLEMENT

TO: ALL PERSONS AND ENTITIES THAT PURCHASED GALENA BIOPHARMA, INC., (“GALENA”) COMMON STOCK DURING THE PERIOD FROM AUGUST 6, 2013 THROUGH MAY 14, 2014, BOTH DATES INCLUSIVE (THE “CLASS PERIOD”).

A FEDERAL COURT AUTHORIZED THIS NOTICE.

Class Representatives in the above-captioned class action (“Plaintiffs”, and the “Action”) have proposed a settlement with Defendants The DreamTeam Group, LLC, Michael McCarthy, Lidingo Holdings, LLC and Kamilla Bjorlin (the “Remaining Defendants”) that provides for Remaining Defendants to pay \$165,000 for the benefit of the Settlement Class (the “Remaining Defendants Settlement”) into the Court-approved Class Action Settlement Fund.

The Remaining Defendants Settlement is in addition to the settlement with Defendants Galena Biopharma, Inc., Mark J. Ahn, Steven Kriegsman, Richard Chin, Stephen S. Galliker, Rudolph Nisi, Sanford J. Hillsberg, Ryan Dunlap, Mark Schwartz and Remy Bernarda (the “Galena Defendants”, and together with the Remaining Defendants, the “Defendants”) for \$19 million in cash and \$1 million in Galena Stock (the “Galena Settlement”).

Based on claims received to date, the Remaining Defendants Settlement will result in an additional recovery of approximately \$0.0049 per share. Co-Class Counsel intend to request attorneys’ fees of no more than 25% of the Remaining Defendants Settlement fund, or \$41,250, and reimbursement of litigation fees of no more than \$30,000. These fees and costs amount to approximately \$0.0021 per share. The actual amount disbursed to members of the Class who participate in the Settlement may be more or less than this figure.

YOUR LEGAL RIGHTS AND OPTIONS IN THE REMAINING DEFENDANTS SETTLEMENT	
Submit a Claim Form no later than August 26, 2017.	Except if you have already submitted a claim in the Galena Settlement, the only way to get a payment.
Object to the Remaining Defendants Settlement no later than November 3, 2017.	Write to the Court about why you do not like the Remaining Defendants Settlement.
Exclude yourself no later than October 27, 2017.	Write to the Claims Administrator and request exclusion from the Settlement Class
Attend the Hearing on November 17, 2017.	Speak in Court about the fairness of the Remaining Defendants Settlement.
Do Nothing.	Be bound by the Remaining Defendants Settlements and judgments that will be entered by the Court.

Questions? Visit www.galenasecuritieslitigation.com , email the Claims Administrator at info@galenasecuritieslitigation.com or call 844-830-5235

If you previously filed a Claim Form or Request for Exclusion in connection with the Galena Settlement, you may rely on that Claim Form or Request for Exclusion to participate in or opt-out of the Remaining Defendants Settlement. Settlement Funds in connection with the Remaining Defendants Settlement will be distributed as described in this Notice and in accordance with the Plan of Allocation, which was explained in the Galena Notice that was already approved by the Court. The Galena Notice is available at www.galenasecuritieslitigation.com.

For more information, you may contact the Claims Administrator or Co-Class Counsel:

Claims Administrator: *In re Galena Biopharma, Inc., Securities Litigation*, c/o KCC Class Action Services, 3301 Kerner Blvd, San Rafael, CA 94901, (T) (844) 830-5235, info@galenasecuritieslitigation.com.

Co-Class Counsel: Laurence M. Rosen The Rosen Law Firm, P.A., 275 Madison Avenue, 34th Floor, New York, NY 10016, (T) (212) 686-1060, (F) (212) 202-3827, info@rosenlegal.com.

Background to Remaining Defendants Settlement

A detailed explanation of the litigation and the Galena Settlement is set forth in the Galena Notice.

This Action allege that, during the Class Period, Galena's stock price was artificially inflated as a result of a series of articles and statements that were part of a pump and dump scheme. Beginning July 2013, Galena retained the Remaining Defendants to tout Galena's stock. Plaintiffs further contend that Remaining Defendants' articles artificially inflated the value of Galena stock, and that investors suffered injury as a result of the alleged inflation and subsequent disclosure thereof. The Defendants denied all of these allegations. On August 5, 2015, the Court issued an order allowing the claims in Class Representatives' Amended Complaint to move forward.

The Court certified in this Action a Settlement Class consisting of all persons or entities that purchased or otherwise acquired the publicly traded Galena common stock from August 6, 2013, through and including May 14, 2014 (the "Settlement Class Period"). The Court subsequently certified a Class in this Action consisting of all persons or entities that purchased or otherwise acquired the publicly traded Galena common stock from August 6, 2013, through and including May 14, 2014, and were damaged thereby. As such, the Remaining Defendants Settlement pertains to the same Settlement Class Period.

You may rely on the Claim Form previously submitted in connection with the Galena Settlement to participate in this Settlement. If you did not submit a Claim Form in the Galena Settlement, but wish to submit one in this Settlement, you may obtain a copy at www.galenasecuritieslitigation.com.

How Much Will My Payment Be?

For complete information on how payments will be calculated for those who filed Claim Forms, please review the Plan of Allocation for the Class Action available in the Galena Notice.

Other Information

Plaintiffs in the Class Action are Kisuk Cho, Anthony Kim, Pantelis Lavidas, and Joseph Buscema ("Class Representatives"). The Court in charge of this case still has to decide whether to approve the Remaining Defendants Settlement.

Please see the Galena Notice regarding certain persons who are excluded from the Settlement Class.

Defendants Dream Team Group LLC, Michael McCarthy, Lidingo Holdings LLC, and Kamilla Bjorlin are entering into this Settlement without admitting any liability to the Plaintiffs or the other Settlement Class Members.

Plaintiffs believe the Remaining Defendants Settlement is in the best interests of the Class in light of the Remaining Defendants' extremely limited resources and lack of applicable insurance coverage.

This notice does not express any opinion by the Court concerning the merits of the claims and defenses of the parties to the Class Action.

Questions? Visit www.galenasecuritieslitigation.com, email info@galenasecuritieslitigation.com or call 844-830-5235

How Will the Remaining Defendants Settlement Be Distributed?

Any funds from the Remaining Defendants Settlement remaining after the payment of court-approved Litigation Expenses will be distributed in accordance with the Plan of Allocation, which was already approved by the Court in connection with the Galena Settlement. No checks will be mailed that would result in a distribution of less than \$10.

What Rights Are Being Compromised as Against the Remaining Defendants?

If you previously submitted a Claim Form in connection with the Class Action Settlements you will remain in the Settlement Class for purposes of the Galena Settlement. That means that you and all other Settlement Class Members will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) against that defendant as well as certain other persons. A full list of persons you are releasing is set out in the Remaining Defendants Settlement Stipulation under the definition of "Remaining Defendants' Released Parties."

A complete description of the release provided for the Remaining Defendants Settlement, including the claims being released and the persons and entities who are being released, is set forth in the Remaining Defendants Settlement Stipulation available for you to review at www.galenasecuritieslitigation.com.

The Lawyers Representing You in the Remaining Defendants Settlement

The Court has appointed the law firms The Rosen Law Firm P.A. and Pomerantz LLP as Co-Class Counsel to represent Class Representatives and all other Settlement Class Members in the Class Action. If you have any questions about the proposed Remaining Defendants Settlement, you may contact Co-Class Counsel using the contact information at the end of this Notice.

Class Representatives intend to request that the Court award Co-Class Counsel Litigation Expenses up to \$30,000 for costs incurred in connection with this Action. The Court will determine whether these awards are warranted and the amount thereof. Any such payments will be paid out of the Settlement Fund.

The Hearing Regarding the Remaining Defendants Settlement

A hearing has been scheduled on the proposed Remaining Defendants Settlement for November 17, 2017, at 3:00 p.m., before the Honorable Michael H. Simon in the United States District Court for the District of Oregon, 1000 Southwest Third Avenue, Portland, Oregon 97204 (the "Settlement Hearing"). At the Settlement Hearing, the Court will determine whether: (a) the Remaining Defendants Settlement is fair, reasonable, and adequate; and (b) to award Co-Class Counsel reimbursement of litigation expenses. The Court can also consider any other matters that it may wish to address. If there are objections, the Court will consider them.

Please note that the date of the Settlement Hearing is subject to change without further notice. If you plan to attend the hearing, you should check with Co-Class Counsel. The Court has the authority to make certain modifications to the Settlement without further notice to Class Members.

How Do I Tell the Court That I Don't Like The Remaining Defendants Settlement?

If you are a Settlement Class Member and did not exclude yourself, you can object to the Remaining Defendants Settlement, including the application for reimbursement of litigation expenses, and give reasons why you think the Court should not approve it. Objections must be in writing. To object, you must file a written objection with the Court saying that you object to the proposed Settlement, or the specific portion thereof to which you are objecting, in the case captioned, *In re Galena Biopharma, Inc. Sec. Litig.*, Case No. 3:14-cv-00367-SI.

Your written objection must be sent to the Court and must be received no later than November 3, 2017:

Clerk of the U.S. District Court for the District of Oregon
1000 Southwest Third Avenue, Portland, Oregon 97204
Attn. [In re Galena Biopharma, Inc. Securities Litigation](#), Case No. 3:14-cv-00367-SI

Questions? Visit www.galenasecuritieslitigation.com, email info@galenasecuritieslitigation.com or call 844-830-5235

In order to submit an objection, you must also either have already submitted a Claim Form in the Galena Settlement, or submit one in this Settlement. Any objection must include: (a) your full name, address and telephone number; (b) a list of all of your transactions involving Galena common stock (or put/call options) during the Settlement Class Period; (c) a written statement of all grounds for the objection; (d) a statement of whether you intend to appear at the Settlement Hearing; (e) a list of other cases in which you have filed an objection in the last five years, including the case name, the court where it was pending, and the docket number; (f) a list of any witnesses you intend to call to testify at the Settlement Hearing, and any exhibits you intend to introduce into evidence; and (g) your signature, even if you are represented by counsel.

If you submit an objection, you are submitting yourself to the jurisdiction of the Court with respect to the subject matter of the Settlements, including, but not limited to, the releases that will be contained in the final judgments. Any member of the Settlement Class who does not object in the manner provided above will be deemed to have waived all objections.

Can I Exclude Myself From the Class

IF YOU ARE A MEMBER OF THE CLASS, YOU WILL BE BOUND BY THE REMAINING DEFENDANTS SETTLEMENT'S TERMS UNLESS YOU EXCLUDE YOURSELF FROM THE CLASS.

You can exclude yourself from the Remaining Defendants Settlement by sending a request for exclusion to the Claims Administrator at the address set out on page 2, above, postmarked no later than October 27, 2017.

Your request for exclusion shall be in a form that sufficiently identifies (1) the name and address of the person(s) or entity seeking exclusion, and (2) a list of all transaction(s) involving Galena common stock during the period August 6, 2013 through May 14, 2014, including the number of shares, principal amount and trade date of each purchase and sale. Please also include your telephone number or other contact information. Your request for exclusion shall not be effective unless submitted within the time and in the form and manner provided for herein. You cannot exclude yourself by telephone, email or fax.

If you request to be excluded from the Remaining Defendants Settlement, you will not be bound by any orders or judgments entered in respect of the Remaining Defendants Settlement and shall not be entitled to receive any benefits provided by the Remaining Defendants Settlement if it is finally approved by the Court.

Do I Have to Come to the Class Action Settlement Hearing?

No. Co-Class Counsel will answer any questions the Court might have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection so that it was received by the deadline, the Court will consider it when it considers whether to approve the Settlement.

CONCLUSION

This notice contains only a summary of the proposed Remaining Defendants Settlement. You may obtain a complete copy of the Stipulation of Settlement, as well information related to the Remaining Defendants Settlement at www.galenasecuritieslitigation.com. You may also contact the Claims Administrator or Class Counsel with questions at the address listed at page 2, above.

PLEASE DO NOT CALL OR WRITE THE COURT, THE COURT CLERK'S OFFICE, DEFENDANTS, OR DEFENDANTS' COUNSEL.

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON

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