U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

(MARK ONE)

/X/ QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 1996

OR

/ / TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE EXCHANGE ACT

For the transition period from _____ to_____

COMMISSION FILE NUMBER: 0-20676

NEOPROBE CORPORATION
(Exact name of small business issuer as specified in its charter)

DELAWARE	31-1080091
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)

425 METRO PLACE NORTH, SUITE 400, DUBLIN, OHIO 43017
(Address of principal executive offices)

614-793-7500
(Issuer's telephone number, including area code)

Check whether the issuer: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 /X/ NO / /

20,117,937 SHARES OF COMMON STOCK, PAR VALUE $.001 PER SHARE
(Number of shares of issuer's common equity outstanding as of the close of business on August 8, 1996)

Transitional Small Business Disclosure Format (check one): YES / / NO /X/

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

NEOPROBE CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEET

<TABLE>
<CAPTION>

ASSETS	DECEMBER 31, 1995	JUNE 30, 1996
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	$10,032,973	$29,596,610
Available-for-sale securities	7,279,659	13,329,875
Stock subscriptions receivable	1,262,513	0
Accounts receivable:		
Trade	176,434	128,397
Related parties	7,896	0
Inventory	473,004	331,693
Prepaid expenses and other current assets	784,016	1,435,118

Total current assets	20,016,495	44,821,693
Long term investment	0	1,500,078
Property and equipment, at cost, net of accumulated depreciation and amortization	3,565,272	4,336,409
Intangible assets, net of accumulated amortization	523,249	2,555,400
Other assets	40,314	52,290
Total assets	$24,145,330	$53,265,870

</TABLE>

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

NEOPROBE CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEET

<TABLE>
<CAPTION>

	DECEMBER 31, 1995	JUNE 30, 1996
<S>	<C>	<C>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable:		
Trade	$ 1,558,916	$ 1,286,390
Related parties	25,838	0
Accrued expenses	957,049	1,048,977
Notes payable to finance company	128,487	31,777
Capital lease obligation, current	244,348	174,777
Total current liabilities	2,914,638	2,541,921
Long term debt	1,100,000	550,000
Capital lease obligation	82,043	22,450
Total liabilities	4,096,681	3,114,371
Commitments and contingencies		
Stockholders' equity:		
Preferred stock; $.001 par value; 5,000,000 shares authorized at December 31, 1995 and June 30, 1996; none outstanding (500,000 shares designated as Series A, $.001 par value, at June 30, 1996; none outstanding)	--	--
Common stock; $.001 par value; 50,000,000 shares authorized, 17,534,800 and 20,057,125 shares issued; 17,334,800 and 19,957,125 shares outstanding at December 31, 1995 and June 30, 1996, respectively	17,335	19,957
Additional paid in capital	62,964,787	101,127,897
Deficit accumulated during development stage	(43,146,860)	(51,095,677)
Unrealized gain (loss) on available-for-sale securities	46,480	(77,311)
Cumulative foreign currency translation adjustment	166,907	176,633
Total stockholders' equity	20,048,649	50,151,499

Total liabilities and stockholders' equity	$ 24,145,330	$ 53,265,870

</TABLE>

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

NEOPROBE CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF OPERATIONS

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,		NOVEMBER 16, 1983 (INCEPTION) TO JUNE 30,
	1995	1996	1995	1996	1996
<S>	<C>	<C>	<C>	<C>	<C>
Net sales	$ 277,985	$ 159,419	$ 551,008	$ 355,816	$ 3,243,627
Cost of goods sold	165,504	79,233	322,897	229,974	1,681,498
Gross profit	112,481	80,186	228,111	125,842	1,562,129
Operating expenses:					
Research and development expenses:					
Wages and benefits	699,014	979,290	1,480,778	1,839,252	11,010,210
Contracted services	227,480	674,149	589,138	1,325,896	5,863,343
Clinical trials	578,967	1,849,775	1,268,058	2,655,676	15,488,868
Other	197,056	270,420	318,785	505,556	2,780,532
Total research and development	1,702,517	3,773,634	3,656,759	6,326,380	35,142,953
General and administrative expenses:					
Wages and benefits	235,459	393,181	487,734	716,692	5,955,887
Contracted services	70,695	153,478	135,201	298,626	2,450,610
Professional services	113,155	173,618	232,480	338,767	3,051,858
Depreciation and amortization	134,468	166,110	271,015	303,576	1,844,178
Other	416,369	602,120	758,513	1,103,818	7,463,297
Total general and administrative	970,146	1,488,507	1,884,943	2,761,479	20,765,830
Loss from operations	(2,560,182)	(5,181,955)	(5,313,591)	(8,962,017)	(54,346,654)
Other income (expense):					
Interest income	99,568	568,495	148,732	803,323	2,389,363
Interest expense	(26,552)	(11,075)	(40,425)	(21,287)	(443,891)
Gain (loss) on foreign currency transactions	4,214	(8,905)	4,495	(18,402)	(19,606)
Other	(100)	234,822	176,439	249,566	1,245,758
Minority interest	0	0	0	0	79,353
Total other income	77,130	783,337	289,241	1,013,200	3,250,977
Net loss	$(2,483,052)	$(4,398,618)	$(5,024,350)	$ (7,948,817)	$(51,095,677)
Earnings per share data:					
Net loss per share of common stock	$ (0.18)	$ (0.22)	$ (0.39)	$ (0.43)	
Shares used in computing net loss per share	14,023,086	19,740,705	12,939,885	18,580,659	

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</TABLE>

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

NEOPROBE CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS

<TABLE>
<CAPTION>

	SIX MONTHS ENDED JUNE 30,		NOVEMBER 16, 1983 (INCEPTION) TO JUNE 30,
	1995	1996	1996
	----------	----------	----------
<S>	<C>	<C>	<C>
Net cash used in operating activities	$(4,335,467)	$(7,234,086)	$(47,354,798)
Cash flows from investing activities:			
Purchase of available-for-sale securities	(7,800,000)	(35,393,239)	(80,005,511)
Proceeds from sale of available-for-sale securities	1,147,428	25,726,484	44,108,641
Maturities of available-for-sale securities	6,763,965	3,500,000	22,482,742
Other	(364,025)	(1,088,590)	(4,704,082)
	----------	----------	----------
Net cash used in investing activities	(252,632)	(7,255,345)	(18,118,210)
	----------	----------	----------
Cash flows from financing activities:			
Issuance of common stock, net	13,632,895	34,286,997	85,988,717
Other	(179,558)	(226,064)	9,087,691
	----------	----------	----------
Net cash provided by financing activities	13,453,337	34,060,933	95,076,408
	----------	----------	----------
Effect of exchange rate changes on cash	2,074	(7,865)	(6,790)
	----------	----------	----------
Net increase in cash and cash equivalents	8,867,312	19,563,637	29,596,610
Cash and cash equivalents at beginning of period	500,775	10,032,973	0
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Cash and cash equivalents at end of period	$ 9,368,087	$29,596,610	$ 29,596,610
	==========	==========	==========

</TABLE>

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

NEOPROBE CORPORATION AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The information presented for June 30, 1995 and 1996, and for the periods then ended is unaudited, but includes all adjustments (which consist only of normal recurring adjustments) which the Company's management believes to be necessary for the fair presentation of results for the periods presented. Certain information and footnote disclosures normally included

in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission. The results for the interim period are not necessarily indicative of results to be expected for the year. The financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 1995, which were included as part of the Company's Annual Report on Form 10-KSB (file no. 0-20676).

The Company is a development stage enterprise engaged in the development and commercialization of technologies for the diagnosis and treatment of cancers. There can be no assurance that the Company will be able to commercialize its proposed products. There can also be no assurance that adequate financing will be available when needed or on terms attractive to the Company.

2. INVENTORY

The components of inventory are as follows:

<TABLE>
<CAPTION>

	DECEMBER 31, 1995	JUNE 30, 1996
<S>	<C>	<C>
Materials and component parts	$101,886	$109,727
Work-in-process	107,786	0
Finished goods	263,332	221,966
	$473,004	$331,693

</TABLE>

3. LONG-TERM DEBT

In 1995, Neoprobe (Israel) Ltd. ("Neoprobe (Israel)"), a subsidiary of the Company, and the Company issued convertible debentures in the amount of $1,100,000 due February 10, 1997. The debentures are convertible into preferred shares of Neoprobe (Israel) or into shares of the Company's common stock at a conversion price of $5.50 per share. The interest rate on the debentures is at three percentage points above the 12-month LIBOR rate, or approximately 9%. In March 1996, debentures in the amount of $550,000 were converted into 100,000 shares of the Company's common stock. Certificates for an additional 100,000 shares of the Company's common stock are being held in escrow.

4. STOCK OPTIONS

In January 1996, the Compensation Committee granted options to certain directors, officers, and employees of the Company under the Neoprobe Corporation Incentive Stock Option and Restricted Stock Purchase Plan (the "Plan") for 295,200 shares of common stock, exercisable at $15.75 per share, 50,000 vesting upon the meeting of certain milestones. Currently, the Company has 1,938,192 options outstanding under the Plan, and 1,021,680 options have vested as of June 30, 1996.

5. EQUITY

In April 1996, the Company completed the sale of 1,750,000 shares of common stock in a public secondary offering at an offering price to the public of $18.50. Proceeds to the Company from this offering, net of the underwriters' discount, was approximately $30.5 million.

During April 1996, in exchange for exclusive license to certain technology, the Company issued 124,805 shares of common stock to The Dow Chemical Company ("Dow", Note 6).

During June 1996, Enzon, Inc. ("Enzon") exercised warrants to purchase 50,000 shares and 100,000 shares of common stock of the Company at prices

of $6.30 per share and $12.60 per share, respectively, which had been granted under the License Agreement and Development Agreement (Note 6).

6. AGREEMENTS

In February 1996, the Company and XTL Biopharmaceuticals Ltd. ("XTL") executed a series of agreements, including an Investment Agreement and a Research and Development Agreement whereby XTL will perform specific research activities using XTL's proprietary technology for the development of future products for the Company. The Company purchased $1.5 million of convertible debentures of XTL, convertible into approximately a 15% equity interest in XTL as of the date of purchase. The Company also acquired a warrant affording Neoprobe the option to purchase an additional 10% equity interest in XTL. Neoprobe issued 125,000 shares of common stock to XTL in exchange for the convertible debentures, warrant, and product development activities.

In March 1996, the Company and Enzon executed an Amendment to the License Agreement and Development Agreement. Pursuant to the Amendment, a Development Agreement executed between the parties on August 15, 1992 has been terminated in all respects.

In March 1996, the Company executed a Subscription and Option Agreement with Cira Technologies, Inc. ("Cira"), under which the Company received a 10 percent equity interest in Cira and an option to increase its interest in Cira to 25 percent at a price to be determined based on the future value of Cira subject to a cap and a floor. Currently, the Company's Chairman and CEO is a director of and a principal shareholder in Cira. Additionally, a partner of a law firm, who is a director of the Company which provides various legal services to the Company, is a shareholder of Cira. The Company and Cira also entered into an agreement under which the Company will provide financial, clinical, and technical support to Cira for Cira to conduct a clinical study using Cira's technology, and the Company will have an option to acquire an exclusive global license for Cira's technology. The Company's financial commitment for this clinical study is capped at $500,000, and the Company has the right to terminate the Agreement upon review of interim results of the clinical study.

In May 1996, the Company executed two License Agreements with Dow whereby the Company was granted exclusive licenses to several technologies covered by patents held by Dow for use in the Company's development and commercialization of detective and therapeutic products. In exchange, the Company issued Dow 124,805 shares of common stock valued at approximately $2 million. In addition, the Company agreed to make lump sum payments to Dow following marketing approval of certain initial products and on achieving certain sales milestones. Dow will also be paid royalties based on continuing net sales. The initial cost of the License Agreements was recorded as an intangible asset as of June 30, 1996. The Company is in the process of evaluating the various technologies covered by the License Agreements for purposes of allocating costs to each patented technology. The Company evaluates the recoverability of carrying values of intangible assets on a recurring basis. Management believes that no significant impairment of the intangible asset associated with the License Agreements has occurred.

7. CONTINGENCIES

During June 1996, the Company and other additional parties were granted their motion to dismiss as defendants in the In re Blech Securities litigation pending in the United States District Court for the Southern District of New York. The Company is not involved in any other substantial litigation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other parts of this Report contain forward-looking statements that involve risks and uncertainties. The Company's actual results in 1996 and

future periods may differ significantly from the prospects discussed in the forward-looking statements.

LIQUIDITY AND CAPITAL RESOURCES

The Company has devoted substantially all of its efforts and resources to research and clinical development of innovative systems for the intraoperative diagnosis and treatment of cancers. The RIGS system integrates radiolabeled targeting agents and a radiation detection instrument. The Company is developing both the radiolabeled targeting agents and radiation-detection instrument components of the RIGS technology. The Company has completed testing in pivotal Phase III clinical trials in both the U.S. and Europe for the detection of metastatic colorectal cancer. In addition, the Company has completed testing in a separate Phase III clinical trial for primary colorectal cancer in the U.S. However, the Company must obtain regulatory approval to market its products before commercial revenue can be generated. During July 1996, European regulatory agencies announced they had agreed to review a dossier (i.e. marketing application) submitted by the Company in May 1996 for its RIGS product for the detection of metastatic colorectal cancer. The Company plans to submit a similar Biologic License Application ("BLA") to the U.S. Food and Drug Administration ("FDA") during the second half of 1996. In addition, the Company is studying the safety and efficacy of RIGS products for detecting breast, ovarian, and neuroendocrine cancers, and the safety and efficacy of certain cancer therapy products (RIGS/ACT) for colorectal cancers. There can be no assurance that the Company's RIGS products will be approved for marketing by the FDA or any foreign government agency, or that any such products will be successfully introduced or achieve market acceptance.

For the period from inception to June 30, 1996, the Company has incurred cumulative net losses of approximately $51.1 million. The Company does not currently have a RIGS product approved for commercial sale, and does not anticipate commercial sales of sufficient volume to generate positive cash flow until 1998, at the earliest. The Company has incurred, and will continue to incur, substantial expenditures for research and development activities related to bringing its products to the commercial market. The Company intends to devote significant additional funds to clinical testing, manufacturing validation, and other activities required for regulatory review of RIGS products. The amount required to complete such testing will depend upon the outcome of regulatory reviews. The regulatory bodies may require more testing than is currently planned by the Company. There can be no assurance that the Company's RIGS products will be approved for marketing by the FDA or any foreign government agency, or that any such products will be successfully introduced or achieve market acceptance.

Since inception, the Company has financed its operations primarily through private and public offerings of its equity securities, from which it has raised gross proceeds of approximately $102.0 million. In April, 1996, the Company completed the sale of 1,750,000 shares of Common Stock at a price of $18.50 per share in a secondary offering. Gross proceeds from this offering were $32.4 million and proceeds net of underwriting discounts were $30.5 million. As of June 30, 1996, the Company had cash, cash equivalents, and available-for-sale securities of $42.9 million.

New MonoCarb AB ("MonoCarb") is a wholly-owned subsidiary of the Company, located in Lund, Sweden, where it operates a biological manufacturing and purification facility. The Company intends to use the production capability of MonoCarb to produce future RIGScan products. MonoCarb purchased and installed vial filling equipment during 1995. This equipment will be used to prepare the CC49 monoclonal antibody, produced by Bio-Intermediair BV under a manufacturing and supply agreement with the Company, for final radiolabeling. The Company advanced MonoCarb funds during the first half of 1996 to cover capital expenditures of approximately $490,000 and operating expenses of approximately $570,000. The Company anticipates advancing an additional $425,000 during the second half of 1996 to cover operating expenses.

In 1994, the Company formed Neoprobe (Israel) Ltd. ("Neoprobe (Israel)") to construct and operate a radiolabeling facility for the Company's targeting agents. The Company owns 95 percent of Neoprobe (Israel), with Rotem Industries Ltd., the private arm of the Israeli atomic energy authority ("Rotem") owning the balance and managing the facility. In January 1995, the Company completed negotiations with the Ministry of Finance and the Office of

the Chief Scientist in Israel to provide up to $2.5 million in the form of Israeli-government guaranteed non-recourse loans and research grants to Neoprobe (Israel). On August 10, 1995, the Company and Neoprobe (Israel) raised $1.1 million for Neoprobe (Israel) through the issuance of convertible debentures. Costs associated with construction of the facility and operations at Neoprobe (Israel) during 1996 will be financed primarily with government grants and loans guaranteed by the Israeli government.

In 1996, regulatory activities related to the RIGScan CR49 product continued to increase as the Company submitted an application to begin marketing a colorectal product in Europe and prepared to submit a similar application in the United States. Consolidated research and development expenses during the second quarter of 1996 were approximately $3.8 million, or 72 percent of total expenses for the quarter. Consolidated general and administrative expenses were approximately $1.5 million, or 28 percent of total expenses for the period.

The Company anticipates that 1996 research and development expenses and general and administrative expenses will increase significantly over 1995 expenditures. During 1996, the Company expects to complete enrollment of patients in the Phase III clinical study for primary colorectal cancer in Europe. The Company will also continue to focus on validating its manufacturing processes for the production of RIGS products and completing the compilation of the applications for colorectal cancer for submission in the United States. Additionally, during 1996, the Company anticipates opening new clinical trials for additional cancer types and developing an activated cell therapy application of its RIGS technology (RIGS/ACT). A significant portion of the increased general and administrative expenses will be associated with marketing activities in preparation for the commercial launch of the first RIGS product. The Company's estimate of its allocation of cash resources is based on the current state of its business operations and current business plan and current industry and economic conditions, and is subject to revisions due to a variety of factors including without limitation, additional expenses related to regulatory licensing and research and development, and to reallocation among categories and to new categories. Neoprobe may need to supplement its funding sources from time to time.

In November 1992 and December 1993, the Company issued a total of approximately 2.3 million Class E Redeemable Common Stock Purchase Warrants ("Class E Warrants"). These warrants are exercisable over a three-year period beginning November 10, 1993 and expire on November 12, 1996. The Class E Warrants entitle the holder to purchase one share of Common Stock for $6.50 per share. As of June 30, 1996, approximately 2,298,000 of the Class E Warrants were outstanding. To the extent that these warrants are exercised, the proceeds from the exercise of all the Class E Warrants would be approximately $15 million. However, there can be no assurance that these warrants will be exercised, due to a variety of factors, including the possible volatility of the price of the Company's Common Stock.

At December 31, 1995, the Company had net operating loss carryforwards of approximately $39.2 million to offset future taxable income through 2010. Additionally, the Company has tax credit carryforwards of approximately $1.6 million available to reduce future income tax liability through 2010. Under Section 382 of the Internal Revenue Code of 1986, as amended, use of prior net operating loss carryforwards is limited after an ownership change. As a result of ownership changes which occurred in March 1989 and in September 1994, the Company*s net operating tax loss carryforwards and tax credit carryforwards are subject to the limitations described by Section 382.

RESULTS OF OPERATIONS

From inception through 1993, the Company's revenue had been primarily from the sale of radiation detection instruments to clinical and collaborative sites and interest earned on investments. MonoCarb generated sales of serology products of approximately $850,000 and $803,000 during the years ended December 31, 1994 and 1995, respectively. All remaining sales during these periods were from the sale of instruments. The Company does not anticipate having significant revenue from the sale of its RIGS products for at least the next 21 months.

Three months ended June 30, 1995 and 1996. For the three-month period ended June 30, 1995, the Company had net sales of approximately $277,000 consisting of sales by MonoCarb of blood serology products of $225,000 and sales of radiation-detection instruments of $52,000. Interest income generated during

this same period from investment of net proceeds from the company's financing activities was approximately $100,000. For the three-month period ended June 30, 1996, the Company had net sales of approximately $159,000 consisting sales of blood serology products by MonoCarb of approximately $104,000 and sales of radiation-detection instruments of

approximately $55,000. Interest income and other income were approximately $568,000 and $234,000, respectively, for this period. The increase in interest income over the same quarter of the prior year is due to the increase in cash, cash equivalents and available-for-sale securities. Other income for the quarter included approximately $250,000 related to fees from a potential marketing partner for continuation of their option to market the Company's products in parts of Asia offset by approximately $20,000 in other expenses. There were no sales of radiation-detection instruments to investigational sites nor under clinical trial agreements for either period.

Research and development expenses increased from $1.7 million in 1995 to $3.8 million in 1996. These expenses reflect the activities associated with conducting clinical trials, including patient enrollment, training, compliance with all regulatory concerns of the FDA and European regulatory authorities and manufacturing validation testing of the Company's production facilities. Also included in these expenses are other costs such as consulting services of experts, and product development costs. The increase in research and development expenses from 1995 to 1996 is the combined result of an increase in clinical trial expenses from approximately $579,000 in 1995 to $1.8 million in 1996 related to preparation of marketing applications and an increase in contracted services from approximately $227,000 in 1995 to approximately $674,000 in 1996 related to manufacturing validation testing. The Company expects these expenses to continue during the third quarter of 1996.

General and administrative expenses increased from $1.0 million in 1995 to $1.5 million in 1996. These expenses reflect the activities associated with business development and corporate administration. The increase in general and administrative expenses from 1995 to 1996 is primarily from wages and benefits, contracted and professional services, and other expenses. Wages and benefits increased as a result of additional staff added during the second quarter. Contracted services increased primarily as a result of fees associated with consulting on various agreements and ventures the Company has considered or entered into. Other expense has increased primarily related to depreciation on fixed asset additions, leasing costs, recruiting, travel and taxes.

Six months ended June 30, 1995 and 1996. During the six-month period ended June 30, 1995 the Company had net sales of approximately $551,000 and interest and other income of approximately $148,000 and $176,000, respectively. Product revenue was primarily from the sale of blood group serology products by MonoCarb, interest income was from the investment of the net proceeds from the Company's financing activities and other income included the recovery of a $150,000 advance to a former underwriter and principal stockholder. During the same period in 1996, the Company had net sales of approximately $356,000 and interest and other income of approximately $803,000 and $250,000, respectively. The increase in interest income over the same period of the prior year is due to the increase in cash, cash equivalents and available-for-sale securities. Other income included approximately $230,000 related to fees from a potential marketing partner for continuation of their option to market the Company's product in parts of Asia. There were no sales of radiation-detection instruments to investigational sites nor under clinical trial agreements for either period.

Research and development expenses increased from $3.7 million in the first half of 1995 to $6.3 million in the first half of 1996. These expenses reflect the activities associated with conducting clinical trials, including patient enrollment, training, compliance with all regulatory concerns of the FDA and European regulatory authorities and manufacturing validation testing of the Company's production facilities. Also included in these expenses are other costs such as consulting services of experts, and product development costs. This increase in research and development expenses was the combined result of increases in contracted services from approximately $589,000 in 1995 to $1.3 million in 1996 related to manufacturing validation testing and increases in clinical trial expenses from $1.3 million in 1995 to $2.7 million in 1996 related to preparing the U.S. and European marketing applications.

General and administrative expenses increased from $1.9 million in the first

half of 1995 to $2.8 million in the first half of 1996. The 1996 increase was primarily a result of increased wages and benefits, contracted services and other expenses. Wages and benefits increased as a result of additional staff added during the first half of the year. Contracted services increased primarily as a result of fees associated with consulting on various agreements and ventures the Company has considered or entered into and costs associated with the Company's annual report. Other expense has increased primarily related to depreciation on fixed asset additions, leasing costs, recruiting, travel and taxes.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In June 1996 a lawsuit against the Registrant was terminated by dismissal. The Registrant was named as an additional party defendant in the In Re Blech Securities litigation pending in the United States District Court for the Southern District of New York before Judge Robert Sweet in March 1995. The plaintiffs were eight named individuals who were alleged to be representatives of a class of securities purchasers. The defendants included David Blech, who was a principal stockholder of the Registrant until September 1994, Mark Germain, who was a director of the Registrant until September 1994, D. Blech & Co., a registered broker-dealer owned by Mr. Blech, trustees of certain trusts established by Mr. Blech, Bear Stearns & Co., Baird Patrick & Co., Parag Saxena and Chancellor Capital Corp., as well as the Registrant and 10 other corporations of which Mr. Blech was a principal stockholder (the "Corporate Defendants"). The complaint alleged that David Blech and D. Blech & Co. conducted a scheme intended to artificially inflate the prices of securities issued by corporations Mr. Blech controlled; that Mr. Blech, D. Blech & Co. and corporations controlled by Mr. Blech gave or sold cheap stock to fund managers in order to induce them to participate in this scheme; and that David Blech, his trusts, D. Blech & Co., Baird Patrick, Bear Stearns, the Corporate Defendants and unnamed other persons engaged in sham transactions, including "round trip" sales, for the purpose of artificially inflating trading volumes and securities of corporations controlled by Mr. Blech and maintaining their trading prices. The complaint alleged that David Blech was the controlling person and Mark Germain was a director of the Corporate Defendants and that the knowledge and participation of Messrs. Blech and Germain in the alleged scheme were the responsibility of the Corporate Defendants. The complaint also alleged that the Corporate Defendants actively engaged in the alleged scheme and benefited from it. The complaint further alleged that all of the defendants engaged in a conspiracy to manipulate the market and failed to disclose truthful information about the true value of securities issued by corporations controlled by Mr. Blech. The complaint alleged violations of Securities and Exchange Commission Rule 10b-5 and common law fraud by all defendants, violations of the Racketeer Influenced Corrupt Organizations Act (RICO) by defendants other than the Corporate Defendants and liability under Securities Exchange Act Section 20(a), as the liability of controlling persons, by Messrs. Blech and Germain and D. Blech & Co., Baird Patrick and Bear Stearns. The amount of damages requested was not specified in the complaint. In June 1996, Judge Sweet dismissed the allegations against the Registrant and the other Corporate Defendants because the plaintiffs had failed to identify the alleged fraudulent acts of the Registrant and the other Corporate Defendants with the specificity required by federal law. The dismissal terminated the action against the Registrant without any findings of liability against Registrant in July 1996. The Judge's Order can still be appealed.

ITEM 2. CHANGES IN SECURITIES

Information in response to this item was previously reported by Registrant in a current report on Form 8-K dated June 20, 1996.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Information in response to this item was previously reported by Registrant in a current report on Form 8-K dated June 20, 1996.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) LIST OF EXHIBITS AND FINANCIAL STATEMENTS INCORPORATED BY REFERENCE

(3) ARTICLES OF INCORPORATION AND BY-LAWS

3.1. Restated Certificate of Incorporation of Neoprobe Corporation, as corrected February 18, 1994 and as amended June 27, 1994, July 25, 1995 and June 3, 1996 (incorporated by reference to Exhibit 99.2 to the Registrant's Current Report on Form 8-K dated June 20, 1996; Commission File No. 0-20676).

3.2. Amended and Restated By-Laws dated July 21, 1993 (as amended July 18, 1995 and May 30, 1996) (incorporated by reference to Exhibit 99.4 to the Registrant's Current Report on Form 8-K dated June 20, 1996; Commission File No. 0-20676).

(4) INSTRUMENTS DEFINING THE RIGHTS OF HOLDERS, INCLUDING INDENTURES

4.1. See Articles FOUR, FIVE, SIX and SEVEN of the Restated Certificate of Incorporation of the Registrant (see Exhibit 3.1).

4.2. See Articles II and VI and Section 2 of Article III and Section 4 of Article VII of the Amended and Restated By-Laws of the Registrant (see Exhibit 3.2).

4.3. Specimen of Class E Redeemable Common Stock Purchase Warrant certificate (incorporated by reference to Exhibit 4.9 to the registration statement on Form S-1; No. 33-51446).

4.4. Warrant Agreement dated November 10, 1992 between Registrant and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.4 to the Registrant's Annual Report on Form 10-KSB for the fiscal year ended December 31, 1992; Commission File No. 0-20676).

4.5. Supplemental Warrant Agreement dated November 12, 1993 between the Registrant and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.5 of registration statement on Form S-3, No. 33-72658).

4.6. Rights Agreement dated as of July 18, 1995 between the Registrant and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 1 of the registration statement on Form 8-A; Commission File No. 0-20676).

(10) MATERIAL CONTRACTS.

10.1.1. - 10.1.25. Reserved.

10.1.26. Underwriting Agreement dated April 2, 1996 with Montgomery Securities and Raymond James & Associates, Inc. (incorporated by reference to Exhibit 1.1 to Registrant's Current Report on Form 8-K dated April 2, 1996; Commission File No. 0-20676).

10.2.1. - 10.2.30. Reserved.

10.2.31. Employment Agreement dated as of January 1, 1996 with John L. Ridihalgh.

10.2.32. Employment Agreement dated as of January 1, 1996 with David C. Bupp.

10.2.33. 1996 Stock Incentive Plan.

10.3.1. - 10.3.41. Reserved.

10.3.42. Supply Agreement dated April 1, 1996 beween Neoprobe-Peptor JV L.L.C. and Peptor Ltd. (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).

10.3.43. Supply Agreement dated April 1, 1996 between Neoprobe-Peptor JV L.L.C. and Neoprobe (Israel) Ltd. (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).

10.3.44. Technology Option Agreement dated as of March 14, 1996 between CIRA Technologies, Inc. and Registrant (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).

10.3.45. License dated May 1, 1996 between Registrant and The Dow Chemical Company.

10.3.46. License Agreement dated May 1, 1996 between Registrant and The Dow Chemical Company (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).

10.4.1 - 10.4.16. Reserved.

(11) STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS.

11.1. Computation of Net Loss Per Share.

(27) FINANCIAL DATA SCHEDULE.

27.1. Financial Data Schedule (submitted electronically for SEC information only).

(B) REPORTS ON FORM 8-K.

A current report on Form 8-K dated April 2, 1996 was filed by the Registrant reporting under Item 7 (Financial Statements and Exhibits) for the purpose of incorporating by reference the Underwriting Agreement and Master Agreement among Underwriters to the Registration Statement on Form S-3, No. 333-2146 (see Exhibit 10.1.26 above).

A current report on Form 8-K dated June 20, 1996 was filed by the Registrant reporting under Item 5 (Other Events) the results of submission of matters to a vote of security holders and changes in securities resulting therefrom.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEOPROBE CORPORATION

(Registrant)

By: /s/ David C. Bupp

David C. Bupp, President and Chief Operating Officer

Dated: August 14, 1996

By: /s/ John Schroepfer

John Schroepfer, Vice President
Finance & Administration
(Principal Financial and Accounting
Officer)

EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION	PAGE IN MANUALLY SIGNED ORIGINAL
3.1.	Restated Certificate of Incorporation of Neoprobe Corporation, as corrected February 18, 1994 and as amended June 27, 1994, July 25, 1995 and June 3, 1996	*
3.2.	Amended and Restated By-Laws dated July 21, 1993 (as amended July 18, 1995 and May 30, 1996)	*
4.1.	See Articles FOUR, FIVE, SIX and SEVEN of the Restated Certificate of Incorporation of Registrant	*
4.2.	See Articles II and VI and Section 2 of Article III and Section 4 of Article VII of the Amended and Restated By-Laws of Registrant	*
4.3.	Specimen of Class E Redeemable Common Stock Purchase Warrant	*
4.4.	Warrant Agreement dated November 10, 1992	*
4.5.	Supplemental Warrant Agreement dated November 12, 1993	*
4.6.	Rights Agreement between the Registrant and Continental Stock Transfer & Trust Company dated July 18, 1995	*
10.1.1.-10.1.25	Reserved	
10.1.26.	Underwriting Agreement dated April 2, 1996 with Montgomery Securities and Raymond James & Associates, Inc.	*
10.2.1.-10.2.30.	Reserved	
10.2.31.	Employment Agreement dated as of January 1, 1996 with John L. Ridihalgh	18
10.2.32.	Employment Agreement dated as of January 1, 1996 with David C. Bupp	26
10.2.33.	1996 Stock Incentive Plan	34
10.3.1.-10.3.41.	Reserved	
10.3.42.	Supply Agreement dated April 1, 1996 beween Neoprobe-Peptor JV L.L.C. and Peptor Ltd. (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).	56

</TABLE>
<TABLE>

10.3.43.	Supply Agreement dated April 1, 1996 between Neoprobe-Peptor JV L.L.C. and Neoprobe (Israel) Ltd. (filed pursuant to Rule 24b-2 under which the Registrant has requested confidential treatment of certain portions of this exhibit).	68
10.3.44.	Technology Option Agreement dated as of March 14, 1996 between CIRA Technologies, Inc. and Registrant (filed	

* Incorporated by reference

Exhibit 10.2.31

EMPLOYMENT AGREEMENT

This Employment Agreement is made and entered into effective as of January 1, 1996 ("Effective Date"), by and between NEOPROBE CORPORATION, a Delaware Corporation with a place of business at 425 Metro Place North, Suite 400, Dublin, Ohio 43017-1367 (the "Company") and JOHN L. RIDIHALGH of Columbus, Ohio (the "Employee").

WHEREAS, the Company and the Employee entered into an Employment Agreement dated as of July 1, 1993, which was amended by a letter agreement dated February 16, 1995 (the "1993 Employment Agreement"); and

WHEREAS, the Company and the Employee wish to establish new terms, covenants, and conditions for the Employee's continued employment with the Company through this agreement ("Employment Agreement").

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

1. DUTIES. From and after the Effective Date, and based upon the terms and conditions set forth herein, the Company agrees to employ the Employee and the Employee agrees to be employed by the Company, as Chairman of the Board and Chief Executive Officer of the Company and in such equivalent or additional executive level position or positions as shall be assigned to him by the Board of Directors. While serving in such executive level position or positions, the Employee shall report to, be responsible to, and shall take direction from the Board of Directors of the Company. During the Term of this Employment Agreement (as defined in Section 2 below), the Employee agrees to devote substantially all of his working time to the position he holds with the Company and to faithfully, industriously, and to the best of his ability, experience and talent, perform the duties which are assigned to him. The Employee shall observe and abide by the reasonable corporate policies and decisions of the Company in all business matters.

   The Employee represents and warrants to the Company that Exhibit A attached hereto sets forth a true and complete list of (a) all offices, directorships and other positions held by the Employee in corporations and firms other than the Company and its subsidiaries and (b) any investment or ownership interest in any corporation or firm other than the Company beneficially owned by the Employee (excluding investments in life insurance policies, bank deposits, publicly traded securities that are less than five percent (5%) of their class and real estate). The Employee will promptly notify the Board of Directors of the Company of any additional positions undertaken or investments made by the Employee during the Term of this Employment Agreement if they are of a type which, if they had existed on the date hereof, should have been listed on Exhibit A hereto. As long as the Employee's other positions or investments in other firms do not create a conflict of interest, violate the Employee's obligations under Section 7 below or cause the Employee to neglect his duties hereunder, such activities and positions shall not be deemed to be a breach of this Employment Agreement.

2. TERM. Subject to Sections 4 and 5 hereof, the Term of this Employment Agreement shall be for a period of three (3) years, commencing January 1, 1996 and terminating December 31, 1998. At least twelve (12) months prior to the expiration of the Term hereof, the Company shall provide Employee with written notice that it intends to extend the Term hereof, and Employee and Company then shall negotiate any changes to this Employment Agreement for the extension thereof.

3. COMPENSATION. During the Term of this Employment Agreement, the Company shall pay, and the Employee agrees to accept as full consideration for the services to be rendered by the Employee hereunder, compensation consisting of the following:

   A. SALARY. Beginning on the first day of the Term and throughout the first year of this Employment Agreement, the Company shall pay the

Employee a salary of $250,000 per year, payable in semi-monthly or monthly installments. Promptly after both parties have signed counterparts of this Agreement, the Company will pay to the Employee an amount equal to the amount by which the salary provided in the previous sentence exceeds the base salary actually paid to the Employee during the period from the begining of the Term through the date of payment. During the second year of the Employment Agreement, the Company shall pay the Employee a salary of at least $262,500 per year, payable in semi-monthly or monthly installments. During the third year of the Employment Agreement, the Company shall pay the Employee a salary of at least $275,500 per year, payable in semi-monthly or monthly installments.

B. BONUS. The Compensation Committee of the Board of Directors will, on an annual basis, review the performance of the Company and of the Employee and will pay such bonus as it deems appropriate, in its discretion, to the Employee based upon such review. Such review and bonus shall be consistent with any bonus plan adopted by the Compensation Committee which covers the executive officers of the Company generally.

C. BENEFITS. During the Term of this Employment Agreement, the Employee will receive such employee benefits as are generally available to all employees of the Company.

D. STOCK OPTIONS. The Compensation Committee of the Board of Directors may, from time to time, grant stock options, restricted stock purchase opportunities and such other forms of stock based incentive compensation as it deems appropriate, in its discretion, to the Employee under the Company's Stock Option and Restricted Stock Purchase Plan and the 1996 Stock Incentive Plan (the "Stock Plans"). The terms of the relevant award agreements shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.

E. RESTRICTED STOCK. Simultaneously with the execution of this Employment Agreement, the Employee will enter into a Restricted Stock Purchase Agreement under the 1996 Stock Incentive Plan in the form attached hereto as Exhibit B. The terms of

such agreement shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.

F. CONTINUATION. Employee's salary and benefits shall be paid by the Company for the full Term if the Employee is terminated without cause. The salary and benefits shall cease if the Employee is terminated for cause or if the Employee resigns (see Section 4).

G. VACATION. The Employee shall be entitled to twenty (20) days of vacation during each calendar year during the Term of this Employment Agreement.

H. CHANGE OF CONTROL SEVERANCE. In addition to the rights of the Employee under the Company's employee benefit plans (paragraphs C and F above) or otherwise but in lieu of any payment of base salary under paragraph F above, if there is a Change in Control of the Company (as defined below) and the employment of the Employee is concurrently or subsequently terminated (a) by the Company without cause, (b) by the expiration of the Term of this Employment Agreement, or (c) by the resignation of the Employee because he has reasonably determined in good faith that his titles, authorities, responsibilities, salary, bonus opportunities or benefits have been materially diminished, that a material adverse change in his working conditions has occurred or the Company has breached this Employment Agreement, the Employee shall be paid a severance payment equal to twice the annual base salary of Employee as in effect immediately before such termination less the amount of any payments of salary due to Employee under paragraph F above.

For the purpose of this Employment Agreement, a Change in Control of the Company has occurred when: (a) any person (defined for the purposes of this paragraph H to mean any person within the meaning of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than Neoprobe or an employee benefit plan created by its Board of Directors for the benefit of its employees, either directly or indirectly, acquires beneficial ownership (determined under Rule 13d-3 of the Regulations promulgated by the Securities and Exchange Commission under Section 13(d) of the Exchange Act) of securities issued by Neoprobe having fifteen percent (15%) or more of the voting power of all the voting securities issued by Neoprobe in the election of Directors at the next meeting of the holders of voting securities to be held for such purpose; (b) a majority of the Directors elected at any meeting of the holders of voting securities of Neoprobe are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; (c) the stockholders of Neoprobe approve a merger or consolidation of Neoprobe with another person, other than a merger or consolidation in which the holders of Neoprobe's voting securities issued and outstanding immediately before such merger or consolidation continue to hold voting securities in the surviving or resulting corporation (in the same relative proportions to each other as existed before such event) comprising eighty percent (80%) or more of the voting power for all purposes of the surviving or resulting corporation; or (d) the stockholders of Neoprobe approve a transfer of substantially all of the assets of

Neoprobe to another person other than a transfer to a transferee, eighty percent (80%) or more of the voting power of which is owned or controlled by Neoprobe or by the holders of Neoprobe's voting securities issued and outstanding immediately before such transfer in the same relative proportions to each other as existed before such event.

4. TERMINATION. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement without cause or "for cause."

A. Termination "for cause" shall be defined as a termination by the Company of the employment of the Employee occasioned by a willful breach of a material duty by the Employee in the course of his employment or willful and continued neglect of his duty as an employee hereunder.

B. In the event of termination by the Company "for cause", all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to the Employee. In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions concerning termination of employment, then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

C. The parties agree that the employment relationship described herein shall end on the termination date set forth in Section 2, unless the parties agree at least six (6) months prior to the termination date, in writing, to extend this Employment Agreement as set forth in Section 2. Nevertheless, if the Employee continues to render services in the Company's employ after that termination date in the absence of such written extension, it is understood that such continued employment will be "at will," terminable at any time by either party.

D. Should the Company relocate to another city and Employee decide not to relocate also, cessation of employment shall be without cause hereunder. A termination without cause is a termination of employment before the end of the Term of this Employment Agreement that is not for cause and not occasioned by the resignation, death or disability of the Employee.

E. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement if the Employee has been unable to perform his duties hereunder for a continuous period of six (6) months due to a physical or mental condition that, in the opinion of a licensed physician, will be of indefinite duration or is without a reasonable probability of recovery. The Employee agrees to submit to an examination by a licensed physician of his choice in order to obtain such opinion at the request of the Company, made after the Employee has been absent from his place of employment for at least six (6) months. Such examination shall be paid for by the Company. However, this provision does not abrogate either the Company's or the Employee's rights and obligations pursuant to the Family and Medical Leave Act of 1993, and a termination of employment under this paragraph E shall not be deemed to be a termination for cause.

5. RESIGNATION, DEATH OR DISABILITY.

A. If, during the Term of this Employment Agreement, the Employee resigns for any reason, all salary, benefits and other payments (except as otherwise provided in Section 3.H. above) shall cease at the time such resignation becomes effective. In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions relative to resignation by an employee, then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

B. If during the Term of this Employment Agreement, the Employee dies or his employment is terminated because of his disability (see Section 4.E. above), all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall provide such health, dental and similar insurance or benefits as were provided to Employee immediately before his termination by reason of death or disability, to Employee or his family for six (6) months after such termination on the same terms and conditions (including cost) as were applicable before such termination. In addition, for the first six (6) months of disability, the Company shall pay to the Employee the difference, if any, between any cash benefits received by the Employee from a Company-sponsored disability insurance policy and the Employee's salary hereunder. In the event that such a benefit plan or a Stock Plan which covers the Employee has specific provisions concerning the death or disability of an employee (e.g., life insurance or disability insurance), then such benefit plan or Stock Plan shall control the disposition of such benefits or stock options.

C. The language set forth in this Section 5 shall not limit the Company's right to seek other remedies for damages incurred in the event Employee fails to comply with the terms of this Employment Agreement.

6. PROPRIETARY INFORMATION AGREEMENT. Employee has executed a Proprietary Information Agreement as a condition of employment with the Company. The Proprietary Information Agreement shall not be limited by this Employment Agreement in any manner, and the Employee shall act in accordance with the provisions of the Proprietary Information Agreement at all times during the Term of this Employment Agreement.

7. NON-COMPETITION. Employee agrees that for so long as he is employed by the Company under this Employment Agreement and for two (2) years thereafter, the Employee will not

A. enter into the employ of or render any services to any person, firm, or corporation, which is engaged, in any part, in a Competitive Business (as defined below);

B. engage in any Competitive Business for his own account;

C. become associated with or interested in through retention or by employment any Competitive Business as an individual, partner, shareholder, creditor, director, offi-

cer, principal, agent, employee, trustee, consultant, advisor, or in any other relationship or capacity; or

D. solicit, interfere with, or endeavor to entice away from the Company, any of its customers, strategic partners, or sources of supply.

Nothing in this Employment Agreement shall preclude Employee from investing his personal assets in the securities of any Competitive Business if such securities are traded on a national stock exchange or in the over-the-counter market and if such investment does not result in his beneficially owning, at any time, more than one percent (1%) of the publicly-traded equity securities of such Competitive Business. "Competitive Business" for purposes of this Employment Agreement shall mean any business or enterprise which:

a. is engaged in the development and/or commercialization of products and/or systems for use in (1) the intraoperative detection of cancer and/or (2) Activated Cellular Therapy for cancer, or

b. reasonably understood to be competitive in the relevant market with products and/or systems described in clause a above, or

c. the Company engages in during the Term of this Employment Agreement pursuant to a determination of the Board of Directors and from which the Company derives a material amount of revenue or in which the Company has made a material capital investment.

The Company hereby waives any claim that the stock ownership interest of Employee in Cira Technologies, Inc., a Delaware corporation, and his participation in the management thereof are violations of the provisions of this Section 7. The Employee acknowledges that but for the waiver set forth in the preceding sentence such ownership interest and participation in the management of Cira would constitute ownership of an equity interest and participation in the management of a Competitive Business.

The covenant set forth in this Section 7 shall terminate immediately upon the termination of the employment of the Employee by the Company without cause or at the end of the Term of this Employment Agreement.

8. ARBITRATION. Any dispute or controversy arising under or in connection with this Employment Agreement shall be settled exclusively by arbitration in Columbus, Ohio, in accordance with the nonunion employment arbitration rules of the American Arbitration Association ("AAA") then in effect. If specific nonunion employment dispute rules are not in effect, then AAA commercial arbitration rules shall govern the dispute. If the amount claimed exceeds $100,000, the arbitration shall be before a panel of three arbitrators. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The Company shall indemnify the Employee against, and hold him harmless from, any attorney's fees, court costs and other expenses incurred by the Employee in connection with the preparation, commencement, prosecution, defense or enforcement of any arbitration, award, confirmation or judgment in order to assert or defend any right

or obtain any payment under paragraph H of Section 3 above or under this sentence; without regard to the success of the Employee or his attorney in any such arbitration or proceeding.

9. GOVERNING LAW. The Employment Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

10. VALIDITY. The invalidity or unenforceability of any provision or provisions of this Employment Agreement shall not affect the validity or enforceability of any other provision of the Employment Agreement, which shall remain in full force and effect.

11. ENTIRE AGREEMENT.

A. The 1993 Employment Agreement is terminated as of the effective date of this Employment Agreement, except that the Stock Options granted to the Employee in the 1993 Employment Agreement or in any previous employment agreement or by the Compensation Committee remain in full force and effect, and survive the termination of the 1993 Employment Agreement and except that the bonus opportunities granted to the Employee in paragraph 3 of the letter agreement dated February 16, 1995 remain in full force and effect, and survive the termination of the 1993 Employment Agreement.

B. This Employment Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. This Employment Agreement may not be amended except in writing executed by the parties hereto.

12. EFFECT ON SUCCESSORS OF INTEREST. This Employment Agreement shall inure to the benefit of and be binding upon heirs, administrators, executors, successors and assigns of each of the parties hereto. Notwithstanding the above, the Employee recognizes and agrees that his obligation under this Employment Agreement may not be assigned without the consent of the Company.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Employment Agreement as of the date first written above.

NEOPROBE CORPORATION	EMPLOYEE
By: /s/ David C. Bupp	/s/ John L. Ridihalgh
David C. Bupp, President	John L. Ridihalgh

EXHIBIT 10.2.32

EMPLOYMENT AGREEMENT

This Employment Agreement is made and entered into effective as of January 1, 1996 ("Effective Date"), by and between NEOPROBE CORPORATION, a Delaware Corporation with a place of business at 425 Metro Place North, Suite 400, Dublin, Ohio 43017-1367 (the "Company") and DAVID C. BUPP of Dublin, Ohio (the "Employee").

WHEREAS, the Company and the Employee entered into an Employment Agreement dated as of July 1, 1993, which was amended by a letter agreement dated February 16, 1995 (the "1993 Employment Agreement"); and

WHEREAS, the Company and the Employee wish to establish new terms, covenants, and conditions for the Employee's continued employment with the Company through this agreement ("Employment Agreement").

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

1. DUTIES. From and after the Effective Date, and based upon the terms and conditions set forth herein, the Company agrees to employ the Employee and the Employee agrees to be employed by the Company, as President and Chief Operating Officer of the Company and in such equivalent, additional or higher executive level position or positions as shall be assigned to him by the Board of Directors. While serving in such executive level position or positions, the Employee shall report to, be responsible to, and shall take direction from the Board of Directors of the Company or the Chief Executive Officer of the Company. During the Term of this Employment Agreement (as defined in Section 2 below), the Employee agrees to devote substantially all of his working time to the position he holds with the Company and to faithfully, industriously, and to the best of his ability, experience and talent, perform the duties which are assigned to him. The Employee shall observe and abide by the reasonable corporate policies and decisions of the Company in all business matters.

   The Employee represents and warrants to the Company that Exhibit A attached hereto sets forth a true and complete list of (a) all offices, directorships and other positions held by the Employee in corporations and firms other than the Company and its subsidiaries and (b) any investment or ownership interest in any corporation or firm other than the Company beneficially owned by the Employee (excluding investments in life insurance policies, bank deposits, publicly traded securities that are less than five percent (5%) of their class and real estate). The Employee will promptly notify the Board of Directors of the Company of any additional positions undertaken or investments made by the Employee during the Term of this Employment Agreement if they are of a type which, if they had existed on the date hereof, should have been listed on Exhibit A hereto. As long as the Employee's other positions or investments in other firms do not create a conflict of interest, violate the Employee's obligations under Section 7 below or cause

   the Employee to neglect his duties hereunder, such activities and positions shall not be deemed to be a breach of this Employment Agreement.

2. TERM. Subject to Sections 4 and 5 hereof, the Term of this Employment Agreement shall be for a period of three (3) years, commencing January 1, 1996 and terminating December 31, 1998. At least twelve (12) months prior to the expiration of the Term hereof, the Company shall provide Employee with written notice that it intends to extend the Term hereof, and Employee and Company then shall negotiate any changes to this Employment Agreement for the extension thereof.

3. COMPENSATION. During the Term of this Employment Agreement, the Company shall pay, and the Employee agrees to accept as full consideration for the services to be rendered by the Employee hereunder, compensation consisting of the following:

A. SALARY. Beginning on the first day of the Term and throughout the first year of this Employment Agreement, the Company shall pay the Employee a salary of $225,000 per year, payable in semi-monthly or monthly installments. Promptly after both parties have signed counterparts of this Agreement, the Company will pay to the Employee an amount equal to the amount by which the salary provided in the previous sentence exceeds the base salary actually paid to the Employee during the period from the begining of the Term through the date of payment. During the second year of the Employment Agreement, the Company shall pay the Employee a salary of at least $236,300 per year, payable in semi-monthly or monthly installments. During the third year of the Employment Agreement, the Company shall pay the Employee a salary of at least $248,000 per year, payable in semi-monthly or monthly installments.

B. BONUS. The Compensation Committee of the Board of Directors will, on an annual basis, review the performance of the Company and of the Employee and will pay such bonus as it deems appropriate, in its discretion, to the Employee based upon such review. Such review and bonus shall be consistent with any bonus plan adopted by the Compensation Committee which covers the executive officers of the Company generally.

C. BENEFITS. During the Term of this Employment Agreement, the Employee will receive such employee benefits as are generally available to all employees of the Company.

D. STOCK OPTIONS. The Compensation Committee of the Board of Directors may, from time to time, grant stock options, restricted stock purchase opportunities and such other forms of stock based incentive compensation as it deems appropriate, in its discretion, to the Employee under the Company's Stock Option and Restricted Stock Purchase Plan and the 1996 Stock Incentive Plan (the "Stock Plans"). The terms of the relevant award agreements shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.

E. RESTRICTED STOCK. Simultaneously with the execution of this Employment Agreement, the Employee will enter into a Restricted Stock Purchase Agreement under the 1996 Stock Incentive Plan in the form attached hereto as Exhibit B. The terms of such agreement shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.

F. CONTINUATION. Employee's salary and benefits shall be paid by the Company for the full Term if the Employee is terminated without cause. The salary and benefits shall cease if the Employee is terminated for cause or if the Employee resigns (see Section 4).

G. VACATION. The Employee shall be entitled to twenty (20) days of vacation during each calendar year during the Term of this Employment Agreement.

H. CHANGE OF CONTROL SEVERANCE. In addition to the rights of the Employee under the Company's employee benefit plans (paragraphs C and F above) or otherwise but in lieu of any payment of base salary under paragraph F above, if there is a Change in Control of the Company (as defined below) and the employment of the Employee is concurrently or subsequently terminated (a) by the Company without cause, (b) by the expiration of the Term of this Employment Agreement, or (c) by the resignation of the Employee because he has reasonably determined in good faith that his titles, authorities, responsibilities, salary, bonus opportunities or benefits have been materially diminished, that a material adverse change in his working conditions has occurred or the Company has breached this Employment Agreement, the Employee shall be paid a severance payment equal to twice the annual base salary of Employee as in effect immediately before such termination less the amount of any payments of salary due to Employee under

paragraph F above.

For the purpose of this Employment Agreement, a Change in Control of the Company has occurred when: (a) any person (defined for the purposes of this paragraph H to mean any person within the meaning of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than Neoprobe or an employee benefit plan created by its Board of Directors for the benefit of its employees, either directly or indirectly, acquires beneficial ownership (determined under Rule 13d-3 of the Regulations promulgated by the Securities and Exchange Commission under Section 13(d) of the Exchange Act) of securities issued by Neoprobe having fifteen percent (15%) or more of the voting power of all the voting securities issued by Neoprobe in the election of Directors at the next meeting of the holders of voting securities to be held for such purpose; (b) a majority of the Directors elected at any meeting of the holders of voting securities of Neoprobe are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; (c) the stockholders of Neoprobe approve a merger or consolidation of Neoprobe with another person, other than a merger or consolidation in which the holders of Neoprobe's voting securities issued and outstanding immediately before such merger or consolidation continue to hold voting securities in the surviving or resulting corporation (in the same relative propor-

tions to each other as existed before such event) comprising eighty percent (80%) or more of the voting power for all purposes of the surviving or resulting corporation; or (d) the stockholders of Neoprobe approve a transfer of substantially all of the assets of Neoprobe to another person other than a transfer to a transferee, eighty percent (80%) or more of the voting power of which is owned or controlled by Neoprobe or by the holders of Neoprobe's voting securities issued and outstanding immediately before such transfer in the same relative proportions to each other as existed before such event.

4. TERMINATION. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement without cause or "for cause."

A. Termination "for cause" shall be defined as a termination by the Company of the employment of the Employee occasioned by a willful breach of a material duty by the Employee in the course of his employment or willful and continued neglect of his duty as an employee hereunder.

B. In the event of termination by the Company "for cause", all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to the Employee. In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions concerning termination of employment, then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

C. The parties agree that the employment relationship described herein shall end on the termination date set forth in Section 2, unless the parties agree at least six (6) months prior to the termination date, in writing, to extend this Employment Agreement as set forth in Section 2. Nevertheless, if the Employee continues to render services in the Company's employ after that termination date in the absence of such written extension, it is understood that such continued employment will be "at will," terminable at any time by either party.

D. Should the Company relocate to another city and Employee decide not to relocate also, cessation of employment shall be without cause hereunder. A termination without cause is a termination of employment before the end of the Term of this Employment Agreement that is not for cause and not occasioned by the resignation, death or disability of the Employee.

E. The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement if the Employee has been unable to perform his duties hereunder for a continuous period of six (6) months due to a physical or mental condition that, in the opinion of a licensed physician, will be of indefinite duration or is without a reasonable probability of recovery. The Employee agrees to submit to an examination by a licensed physician of his choice in order to obtain such opinion at the request of the Company, made after the Employee has been absent from his place of employment for at least six (6) months. Such examination shall be paid for by the Company. However, this provision does not abrogate

either the Company's or the Employee's rights and obligations pursuant to the Family and Medical Leave Act of 1993, and a termination of employment under this paragraph E shall not be deemed to be a termination for cause.

5. RESIGNATION, DEATH OR DISABILITY.

A. If, during the Term of this Employment Agreement, the Employee resigns for any reason, all salary, benefits and other payments (except as otherwise provided in Section 3.H. above) shall cease at the time such resignation becomes effective. In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions relative to resignation by an employee, then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

B. If during the Term of this Employment Agreement, the Employee dies or his employment is terminated because of his disability (see Section 4.E. above), all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall provide such health, dental and similar insurance or benefits as were provided to Employee immediately before his termination by reason of death or disability, to Employee or his family for six (6) months after such termination on the same terms and conditions (including cost) as were applicable before such termination. In addition, for the first six (6) months of disability, the Company shall pay to the Employee the difference, if any, between any cash benefits received by the Employee from a Company-sponsored disability insurance policy and the Employee's salary hereunder. In the event that such a benefit plan or a Stock Plan which covers the Employee has specific provisions concerning the death or disability of an employee (e.g., life insurance or disability insurance), then such benefit plan or Stock Plan shall control the disposition of such benefits or stock options.

C. The language set forth in this Section 5 shall not limit the Company's right to seek other remedies for damages incurred in the event Employee fails to comply with the terms of this Employment Agreement.

6. PROPRIETARY INFORMATION AGREEMENT. Employee has executed a Proprietary Information Agreement as a condition of employment with the Company. The Proprietary Information Agreement shall not be limited by this Employment Agreement in any manner, and the Employee shall act in accordance with the provisions of the Proprietary Information Agreement at all times during the Term of this Employment Agreement.

7. NON-COMPETITION. Employee agrees that for so long as he is employed by the Company under this Employment Agreement and for two (2) years thereafter, the Employee will not

A. enter into the employ of or render any services to any person, firm, or corporation, which is engaged, in any part, in a Competitive Business (as defined below);

B. engage in any Competitive Business for his own account;

C. become associated with or interested in through retention or by employment any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor, or in any other relationship or capacity; or

D. solicit, interfere with, or endeavor to entice away from the Company, any of its customers, strategic partners, or sources of supply.

Nothing in this Employment Agreement shall preclude Employee from taking employment in the banking or related financial services industries nor from investing his personal assets in the securities of any Competitive Business if such securities are traded on a national stock exchange or in the over-the-counter market and if such investment does not result in his beneficially owning, at any time, more than one percent (1%) of the publicly-traded equity securities of such Competitive Business. "Competitive Business" for purposes of this Employment Agreement shall mean any business or enterprise which:

a. is engaged in the development and/or commercialization of products and/or systems for use in (1) the intraoperative detection of cancer and/or (2) Activated Cellular Therapy for cancer, or

b. reasonably understood to be competitive in the relevant market with products and/or systems described in clause a above, or

c. the Company engages in during the Term of this Employment Agreement pursuant to a determination of the Board of Directors and from which the Company derives a material amount of revenue or in which the Company has made a material capital investment.

The covenant set forth in this Section 7 shall terminate immediately upon the termination of the employment of the Employee by the Company without cause or at the end of the Term of this Employment Agreement.

8. ARBITRATION. Any dispute or controversy arising under or in connection with this Employment Agreement shall be settled exclusively by arbitration in Columbus, Ohio, in accordance with the nonunion employment arbitration rules of the American Arbitration Association ("AAA") then in effect. If specific nonunion employment dispute rules are not in effect, then AAA commercial arbitration rules shall govern the dispute. If the amount claimed exceeds $100,000, the arbitration shall be before a panel of three arbitrators. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The Company shall indemnify the Employee against, and hold him harmless from, any attorney's fees, court costs and other expenses incurred by the Employee in connection with the preparation, commencement, prosecution, defense or enforcement of any arbitration, award, confirmation or judgment in order to assert or defend any right or obtain any payment under paragraph H of Section 3 above or under this sentence; without regard to the success of the Employee or his attorney in any such arbitration or proceeding.

9. GOVERNING LAW. The Employment Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

10. VALIDITY. The invalidity or unenforceability of any provision or provisions of this Employment Agreement shall not affect the validity or enforceability of any other provision of the Employment Agreement, which shall remain in full force and effect.

11. ENTIRE AGREEMENT.

A. The 1993 Employment Agreement is terminated as of the effective date of this Employment Agreement, except that the Stock Options granted to the Employee in the 1993 Employment Agreement or in any previous employment agreement or by the Compensation Committee remain in full force and effect, and survive the termination of the 1993 Employment Agreement and except that the bonus opportunities granted to the Employee in paragraph 3 of the letter

agreement dated February 16, 1995 remain in full force and effect, and survive the termination of the 1993 Employment Agreement.

B. This Employment Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. This Employment Agreement may not be amended except in writing executed by the parties hereto.

12. EFFECT ON SUCCESSORS OF INTEREST. This Employment Agreement shall inure to the benefit of and be binding upon heirs, administrators, executors, successors and assigns of each of the parties hereto. Notwithstanding the above, the Employee recognizes and agrees that his obligation under this Employment Agreement may not be assigned without the consent of the Company.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Employment Agreement as of the date first written above.

NEOPROBE CORPORATION EMPLOYEE

By: s/ John L. Ridihalgh s/ David C. Bupp
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John L. Ridihalgh, Chairman of the Board David C. Bupp

EXHIBIT 10.2.33

NEOPROBE CORPORATION

1996 STOCK INCENTIVE PLAN

JANUARY 18, 1996

P R E A M B L E :

1. Neoprobe Corporation, a Delaware corporation ("Neoprobe" or the "Company") by means of this 1996 Stock Incentive Plan (the "Plan"), desires to attract and retain capable directors, employees and consultants and to provide them with long term incentives to continue their services to the Company, to maximize the value of the Company to its stockholders and to acquire a continuing ownership interest in the Company.

2. The Company has determined that the foregoing objectives will be promoted by granting Awards (as hereinafter defined) under this Plan to certain directors and employees of and consultants to the Company and its subsidiaries, if any, pursuant to this Plan.

T E R M S :

Article 1. Definitions.

Section 1.1. General. Certain words and phrases used in this Plan shall have the meanings given to them below in this section:

"Award" means a grant of Options or the right to purchase Restricted Stock under the Plan.

"Board of Directors" means the board of directors of Neoprobe.

"Change in Control" means (a) the acquisition by any person (defined for the purposes of this definition to mean any person within the meaning of Section 13(d) of the Exchange Act), other than Neoprobe or an employee benefit plan created by the Board of Directors for the benefit of its Employees, either directly or indirectly, of the beneficial ownership (determined under Rule 13d-3 of the Regulations promulgated by the SEC under Section 13(d) of the Exchange Act) of securities issued by Neoprobe having fifteen percent (15%) or more of the voting power of all the voting securities issued by Neoprobe in the election of Directors at the next meeting of the holders of voting securities to be held for such purpose; (b) the election of a majority of the Directors elected at any meeting of the holders of voting securities of Neoprobe who are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; (c) the approval by the stockholders of Neoprobe of a merger or consolidation with another person, other than a merger or consolidation in which the holders of Neoprobe's voting securities issued and outstanding immediately before such merger or consolidation continue to hold voting securities in the surviving or resulting corporation (in the same relative proportions to each other as existed before such event) comprising eighty percent (80%) or more of the voting power for all purposes of the surviving or resulting corporation; or (d) the approval by the stockholders of Neoprobe of a transfer of substantially all of the assets of Neoprobe to another person other than a transfer to a transferee, eighty percent (80%) or more of the voting power of which is owned or controlled by Neoprobe or by the holders of Neoprobe's voting securities issued and outstanding immediately before such transfer in the same relative proportions to each other as existed before such event.

"Code" means the Internal Revenue Code of 1986 and the regulations thereunder, as now in effect or hereafter amended.

"Committee" means the Committee of the Board of Directors that administers the Plan under Section 2.1 below.

"Common Stock" means the common stock, par value $.001 per share, of the Company.

"Consultant" means any person who provides services to the Company or any Subsidiary (other than in connection with the offer or sale of securities of the Company or any Subsidiary in a capital raising transaction), who is neither an Employee nor a Director and who is a consultant or an adviser to the Company or any Subsidiary within the meaning of General Instruction A.1. to Form S-8 promulgated by the SEC under the Securities Act of 1933.

"Date of Grant" means the date an Award is first granted.

"Director" means a member of the Board of Directors.

"Effective Date" means the date this Plan is first adopted by the Board of Directors.

"Employee" means any common law employee of Neoprobe or any Subsidiary of Neoprobe.

"Exchange Act" means the Securities Exchange Act of 1934.

"Exercise Price" means, with respect to an Option, the amount of consideration that must be delivered to the Company in order to purchase a single Share thereunder.

"Fair Market Value of a Share" means the amount determined to be the fair market value of a single Share by the Committee based upon the trading price of the Shares, their offering price in public and private offerings by the Company and such other factors as it deems relevant. In the absence of such a determination, the Fair Market Value of a Share shall be deemed to be (a) if the Shares are listed or admitted to trading on a national securities exchange or the Nasdaq National Market, the per Share closing price regular way on the principal national securities exchange or the Nasdaq National Market on which the Shares are listed or admitted to trading on the day prior to the date of determination or, if no closing price can be determined for the date of determination, the most recent date for which such price can reasonably be ascertained, or (b) if the Shares are not listed or admitted to trading on a national securities exchange or the Nasdaq National Market, the mean between the representative bid and asked per Share prices in the over-the-counter market at the closing of the day prior to the date of determination or the most recent such bid and asked prices then available, as reported by NASDAQ or if the Shares are not then quoted by NASDAQ as furnished by any market maker selected from time to time by Neoprobe for that purpose.

"Grantee" means any Participant to whom an Award has been granted.

"Holder" means any Grantee who holds a valid Award and any heir or legal representative to whom such Grantee's Award has been transferred by will or the laws of descent and distribution.

"Incentive Stock Option" or "ISO" means an Option intended to comply with the terms and conditions set forth in Section 422 of the Code.

"Meeting Date" means the date of each annual meeting of the stockholders of Neoprobe at which Directors are elected.

"Nonqualified Option" means a Stock Option other than an Incentive Stock Option.

"Officer" means an officer of the Company as defined in 17 C.F.R. Section 240.16a-1(f) as now in effect oR hereafter amended.

"Option" or "Stock Option" means a right granted under Article 5 or 6 of the Plan to a Participant to purchase a stated number of Shares.

"Option Agreement" means an agreement evidencing an Option substantially in the form of Exhibit A or Exhibit B hereto.

"Parent" means a parent of a given corporation as such term is defined in Section 424(e) of the Code.

"Participant" means a person who is eligible to receive and has received an Award under the Plan.

"Plan" means this Plan as it may be amended or restated from time to time.

"Restricted Stock" means Shares purchased under Article 7 of the Plan that are subject to restrictions on transfer and risks of forfeiture under the Plan.

"Restricted Stock Purchase Agreement" means a Restricted Stock Purchase Agreement in the form of Exhibit C attached hereto.

"Rule 16b-3" means Rule 16b-3 (17 C.F.R. Section 240.16b-3) promulgated under Section 16(b) of the ExchanGe Act as now in effect or hereafter amended.

"SEC" means the Securities and Exchange Commission.

"Shares" means shares of Common Stock.

"Subsidiary" means a subsidiary of a given corporation as such term is defined in Section 424(f) of the Code.

"Ten Percent Stockholder" means a person who owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company. Ownership shall for the purposes of the previous sentence be determined under the rules set forth in Section 424 of the Code.

"Termination without cause" means a termination of the employment or consulting relationship of a Grantee that is not for cause and is not occasioned by the resignation, death or disability of the Grantee.

Section 1.2. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles.

Section 1.3. Effect of Definitions. The definitions set forth in Section 1.1 above shall apply equally to the singular, plural, adjectival, adverbial and other forms of any of the words and phrases defined regardless of whether they are capitalized.

ARTICLE 2. ADMINISTRATION.

Section 2.1. Committee. The Plan shall be administered by a committee of the Board of Directors consisting of two or more Directors, each of whom is a "disinterested person" as described in paragraph (C)(2)(i) of Rule 16b-3 and is an "outside director" as described in Code Section 162(m) and the regulations thereunder (the "Committee"). Unless the Board of Directors designates another of its committees to administer the Plan, the Plan shall be administered by a committee consisting of those members of the Compensation Committee of the Board of Directors who are disinterested persons and are outside directors, but, if the Compensation Committee is abolished or its membership does not contain two persons who do comply with the requirements of the first sentence of this Section 2.1, the Board of Directors shall either reconstitute the Compensation Committee in compliance with or create another Committee that complies with the requirements of the first sentence of this Section 2.1 to administer the Plan. The Committee may be referred to as the Stock Option Committee.

Section 2.2. Authority. Subject to the express provisions of the Plan and in addition to the powers granted by other sections of the Plan, the Committee has the authority, in its discretion, to: (a) determine

the Participants, grant Awards and determine their timing, pricing and amount; (b) define, prescribe, amend and rescind rules, regulations, procedures, terms and conditions relating to the Plan; (c) make all other determinations necessary

or advisable for administering the Plan, including, but not limited to, interpreting the Plan, correcting defects, reconciling inconsistencies and resolving ambiguities; (d) review and resolve all claims of Employees, Grantees and Participants; and (e) delegate to the Officers the authority to select Grantees under Article 5 (other than Officers) and grant Awards to such Grantees having terms and in aggregate amounts determined by the Committee. The actions and determinations of the Committee on matters related to the Plan shall be conclusive and binding upon the Company and all Employees, Grantees and Participants.

ARTICLE 3. SHARES.

Section 3.1. Number. The aggregate number of Shares in respect of which Awards may be granted under the Plan shall not exceed one million five hundred thousand (1,500,000), which number of Shares is hereby reserved for issuance under the Plan out of the authorized but unissued Shares.

Section 3.2. Cancellations. If any Awards granted under the Plan are canceled, terminate or expire for any reason without having been exercised in full, the Shares related to the unexercised portion of an Award shall be available again for the purposes of the Plan. If any Shares purchased under the Plan are forfeited for any reason, the Shares shall be available again for purposes of the Plan.

Section 3.3. Anti-Dilution.

(a) If the Shares are split or if a dividend of Shares is paid on the Shares, the number of Shares for which each then outstanding Award is exercisable or which is then Restricted Stock and the number of Shares as to which Awards may be granted under this Plan shall be increased automatically by the ratio between the number of Shares outstanding immediately after such event and the number of Shares outstanding immediately before such event and the Exercise Price thereof shall be decreased automatically by the same ratio, and if the Shares are combined into a lesser number of Shares, the number of Shares for which each then outstanding Award is exercisable or which is then Restricted Stock and the number of Shares as to which Awards may be granted under the Plan shall be decreased automatically by such ratio and the Exercise Price thereof shall be increased automatically by such ratio.

(b) In the event of any other change in the Shares, through recapitalization, merger, consolidation or exchange of shares or otherwise, there shall automatically be substituted for each Share subject to an unexercised Award or which is then Restricted Stock and each Share available for additional grants of Awards, the number and kind of shares or other securities into which each outstanding Share was changed, and the Exercise Price shall be increased or decreased proportionally so that the aggregate Exercise Price for the securities subject to each Award shall remain the same as immediately before such event; and the Committee may make such further equitable adjustments in the Plan and the then outstanding Awards and Restricted Stock Purchase Agreements as it deems necessary and appropriate including, but not limited to, changing the number of Shares reserved under the Plan or covered by outstanding Awards, the Exercise Price of outstanding Awards and Restricted Stock Purchase Agreements and the vesting conditions of outstanding Awards and Restricted Stock Purchase Agreements.

Section 3.4. Source. Except as otherwise determined by the Board of Directors, the Shares issued under the Plan shall be authorized but unissued Shares. However, Shares which are to be delivered under the Plan may be obtained by the Company from its treasury, by purchases on the open market or from private sources, or by issuing authorized but unissued Shares. The proceeds of the exercise of any Award shall be general corporate funds of the Company. No Shares may be sold under any Option or Restricted Stock Purchase Agreement for less than the par value thereof. No fractional Shares shall be issued or sold under the Plan nor will any cash payment be made in lieu of fractional Shares.

Section 3.5. Rights of a Stockholder. Except as otherwise provided in any Restricted Stock Purchase Agreement, no Grantee or other person claiming under or through any Grantee shall have any right, title or interest in or to any Shares allocated or re-

served under the Plan or subject to any Award except as to such Shares, if any, for which certificates representing such Shares have been issued to such

Grantee.

Section 3.6. Securities Laws. No Award shall be exercised nor shall any Shares or other securities be issued or transferred pursuant to an Award unless and until all applicable requirements imposed by federal and state securities laws and by any stock exchanges upon which the Shares may be listed, have been fully complied with. As a condition precedent to the exercise of an Award or the issuance of Shares pursuant to the grant or exercise of an Award, the Company may require the Grantee to take any reasonable action to meet such requirements including providing undertakings as to the investment intent of the Grantee, accepting transfer restrictions on the Shares issuable thereunder and providing opinions of counsel, in form and substance acceptable to the Company, as to the availability of exemptions from such requirements.

ARTICLE 4. ELIGIBILITY.

Section 4.1. Article 5. Only Employees and Consultants who are not members of the Committee, shall be eligible to receive Options under Article 5 below.

Section 4.2. Article 6. Only Directors who are not Employees, shall be eligible to receive Options under the provisions of Article 6 below.

Section 4.3. Article 7. Only Officers shall be eligible to purchase Restricted Stock under Article 7 below.

ARTICLE 5. STOCK OPTIONS.

Section 5.1. Determinations. The Committee shall determine which eligible Employees or Consultants shall be granted Options, the number of Shares for which the Options may be exercised, the times when they shall receive them and the terms and conditions of individual Option grants (which need not be identical); provided, however, that the maximum number of Shares with respect to which Options may be granted during any fiscal year of the Company to any Employee shall be five hundred thousand (500,000). The Committee may delegate the authority granted to it in this Section 5.1 pursuant to clause (e) of Section 2.2 above.

Section 5.2. Exercise Price. The Committee shall determine the Exercise Price of each Option at the time that it is granted, but in no event shall the Exercise Price of an Option be less than the Fair Market Value of a Share on the Date of Grant. If no express determination of the Exercise Price of an Option is made by the Committee, the Exercise Price thereof is equal to the Fair Market Value of a Share on the Date of Grant.

Section 5.3. Term. Subject to the rule set forth in the next sentence, the Committee shall determine the term during which an Option is exercisable at the time that it is granted. No Option shall be exercisable after the expiration of ten (10) years from the Date of Grant. If no express determination of the times when Options are exercisable is made by the Committee:

(a) each Option shall vest and first become exercisable as to one third (1/3) of the Shares originally subject to the Option (subject to the rule set forth in Section 5.4(c) below) on each anniversary of the Date of Grant provided the Grantee thereof has been an Employee or a Consultant, as the case may be, continuously during the time beginning on the Date of Grant and ending on the date when such portion of the Option first becomes exercisable; and

(b) each Option shall lapse and cease to be exercisable upon the earliest of (i) the expiration of ten (10) years from the Date of Grant, (ii) subject to the rule set forth in Section 5.4(d) below, nine (9) months after the Grantee ceases to be an Employee or Consultant because of his death or disability, (iii) ninety (90) days after the Grantee's employment with or services to the Company or any Subsidiary are terminated by the Company or such Subsidiary without cause, or (iv) immediately upon termination of the Grantee's employment with or services to the Company or any Subsidiary by the Company or any Subsidiary for cause or by the Grantee's resignation.

Where both an Incentive and a Nonqualified Option are granted, the number of Shares which become exercisable under clause (a) of the previous

sentence at any time shall be calculated on the basis of the total of the Shares

subject to both Options and the Options shall become exercisable as to that number of Shares first under the Incentive Stock Option and then under the Nonqualified Option, unless the rule set forth in Section 5.4(c) below would defer the exercisability of such Incentive Stock Option, in which case such Nonqualified Options shall become exercisable first. Notwithstanding the terms of any Option, the preceding sentence and Section 5.4, all Options that have not previously been exercised nor lapsed and ceased to be exercisable shall vest and become exercisable upon the occurrence of any Change in Control if the Grantee is an Employee or Consultant at time of the Change in Control.

Section 5.4. Incentive Stock Options.

(a) The Committee shall determine whether any Option is an Incentive Stock Option or a Nonqualified Option at the time that it is granted, and if no express determination is made by the Committee, all Options granted to Participants who are Employees and who are not Ten Percent Stockholders are Incentive Stock Options and all Options granted to Ten Percent Stockholders or Consultants are Nonqualified Options.

(b) If the Committee grants Incentive Stock Options, they shall be on such terms and conditions as may be necessary to render them "incentive stock options" pursuant to Section 422 of the Code.

(c) The aggregate Fair Market Value of the Shares, determined as of the time the Option is granted, which first become exercisable under all Incentive Stock Options granted under this Plan or any other plan of the Company or any Parent or Subsidiary of the Company, shall not exceed one hundred thousand dollars ($100,000) during any calendar year and if the foregoing limit would be exceeded in any given calendar year by the terms of any Incentive Stock Option granted hereunder, the exercisability of such portion of such Option as would exceed such limit shall be deferred to the first day of the next calendar year and if such excess involves more than one Option, the exercisability of the most recently granted Option shall be deferred first.

(d) If the employment of a Participant, who holds an ISO, with the Company is terminated because of a "disability" (within the meaning of Section 22(e)(3) of the Code), the unexercised portion of his ISO may only be exercised within six (6) months after the date on which his employment was terminated, and only to the extent that such Participant could have otherwise exercised such ISO as of the date of termination. If a Participant, who holds an ISO, dies while he is employed by the Company (or within six (6) months after termination of his employment by reason of a disability or within one (1) month after termination of his employment without cause), the unexercised portion of his ISO at the time of his death may only be exercised within six (6) months after the date of his death, and only to the extent that he could have otherwise exercised such ISO at the time of his death. In such event, such ISO may be exercised by the executor or administrator of his estate or by any Holder.

(e) No Ten Percent Stockholder shall be granted an Incentive Stock Option, unless at the time such Incentive Stock Option is granted, the Exercise Price thereof is at least one hundred ten percent (110%) of the Fair Market Value of a Share on the Date of Grant and the Incentive Stock Option by its terms is not exercisable after the expiration of five (5) years from the Date of Grant.

(f) If a Grantee exercises an Incentive Stock Option and disposes of any of the Shares received by such Grantee as a result of such exercise within two (2) years from the Date of Grant or within one (1) year after the transfer of such Shares to such Grantee upon such exercise, such Grantee shall notify the Company of such disposition and the consideration received as a result thereof and pay or provide for the withholding taxes on such disposition as required by Section 8.4 below.

(g) An Option that is designated as a Nonqualified Option under this Plan shall not be treated as an "incentive stock option" as such term is defined in Section 422(b) of the Code.

Section 5.5. Exercise. An Option shall be exercised by the delivery of the Option Agreement therefor with the notice of exercise attached thereto properly completed and duly executed by the Holder

named therein to the Treasurer of the Company, together with the aggregate

Exercise Price for the number of Shares as to which the Option is being exercised, after the Option has become exercisable and before it has ceased to be exercisable. An Option may be exercised as to less than all of the Shares purchasable thereunder, but not for a fractional share. No Option may be exercised as to less than one hundred (100) Shares unless it is exercised as to all of the Shares then available thereunder. If an Option is exercised as to less than all of the Shares purchasable thereunder, a new duly executed Option Agreement reflecting the decreased number of Shares exercisable under such Option, but otherwise of the same tenor, shall be returned to the Holder. The Committee may, in its sole discretion, and upon such terms and conditions as it shall determine at or after the Date of Grant, permit the Exercise Price to be paid in cash, by the tender to the Company of Shares owned by the Holder or by a combination thereof. If the Committee does not make such determination, the Exercise Price shall be paid in cash. If any portion of the Exercise Price of an Option is payable in cash, it may be paid by (a) delivery of a certified or cashier's check payable to the order of the Company in such amount, (b) wire transfer of immediately available funds to a bank account designated by the Company, or (c) reduction of a debt of the Company to the Holder. If any portion of the Exercise Price of an Option is payable in Shares it may be paid by delivery of certificates representing a number of Shares having a total Fair Market Value on the date of delivery equal to or greater than the required amount, duly endorsed for transfer with all signatures guaranteed by a bank or a member of the National Association of Securities Dealers with a medallion guarantee. If more Shares than are necessary to pay such Exercise Price based on their Fair Market Value on the date of first delivery to the Company are delivered to the Company, it shall return to the Holder a certificate for the balance of the whole number of Shares and a check payable to the order of the Holder for any fraction of a Share. Shares may not be delivered to the Company as payment for the exercise of an Option, if such Shares have been owned by the Holder (together with his decedent or testator) for less than six (6) months or if the disposition of such Shares would require the giving of a notice under Section 5.4(f) above. Promptly after an Option is properly exercised, the Company shall issue to the Grantee a certificate representing the Shares purchased thereunder.

Section 5.6. Option Agreement. Promptly after the Date of Grant, Neoprobe shall duly execute and deliver to the Grantee an Option Agreement setting forth the terms of the Option. Option Agreements are not negotiable instruments or securities (as such term is defined in Article 8 of the Uniform Commercial Code). Lost and destroyed Option Agreements may be replaced without bond.

Section 5.7. New Hires. A person to whom the Company is offering employment may be granted a Nonqualified Option under this Article 5, but any such grant shall lapse if the person does not subsequently become an Employee pursuant to such offer.

Section 5.8. Acceleration. Notwithstanding anything else in the Plan, the Committee may, in its sole discretion, at any time or from time to time thereafter, accelerate the time at which any Options become exercisable or waive any provisions of the Plan relating to the manner of payment or procedures for the exercise of any Option. Any such acceleration may be made effective (a) with respect to one or more or all Grantees, (b) with respect to some or all of the Shares subject to an Option of any Grantee or (c) for a period of time ending at or before the expiration date of any Option.

ARTICLE 6. DIRECTORS' STOCK OPTIONS.

Section 6.1. Grant.

(a) On the Effective Date an Option on three thousand six hundred (3,600) Shares shall be granted to each Director who is eligible to receive Options under Section 4.2 above.

(b) On each Meeting Date which occurs after the annual meeting of stockholders at which this Plan is approved by the stockholders of the Company, an Option on three thousand six hundred (3,600) Shares or such lesser number as remain available for granting under Article 3 above shall be automatically granted to each Director who is eligible to receive Options under Section 4.2 above.

(c) Notwithstanding the foregoing, an Option on three thousand six

hundred (3,600) Shares or such lesser number as remain available for granting under Article 3 above shall be automatically granted to each person who is elected as a Director by the Board of Directors, who was not a Director during the time since the most recent Meeting Date, and who is eligible to receive Options under Section 4.2 above.

Section 6.2. Exercise Price. The Exercise Price of an Option shall be equal to the Fair Market Value of a Share on the Date of Grant.

Section 6.3. Term. (a) Each Option shall vest and first become exercisable as to thirty-three and one-third percent (33-1/3%) of the Shares originally subject to the Option on each Meeting Date which is held more than six (6) months after the Date of Grant if the Grantee is a Director at the time of the adjournment of the meeting of stockholders held on such Meeting Date; and (b) each Option shall lapse and cease to be exercisable upon the earliest of (i) the expiration of ten (10) years from the Date of Grant, (ii) nine (9) months after the Grantee ceases to be a Director because of his death or disability, (iii) immediately upon resignation by the Grantee as a Director, or (iv) thirty (30) days after the Grantee ceases to be a Director for any reason other than his death, disability or resignation. Notwithstanding the foregoing, all Options that have not previously been exercised nor lapsed and ceased to be exercisable shall vest and become exercisable upon the occurrence of any Change in Control.

Section 6.4. Not Incentive Stock Options. An Option under this Article 6 shall not be treated as an Incentive Stock Option.

Section 6.5. Exercise. An Option shall be exercised by the delivery of the Option Agreement therefor with the notice of exercise attached thereto properly completed and duly executed by the Grantee named therein to the Treasurer of the Company, together with the aggregate Exercise Price for the number of Shares as to which the Option is being exercised, after the Option has become exercisable and before it has ceased to be exercisable. An Option may be exercised as to less than all of the Shares purchasable thereunder but not for a fractional Share. No Option may be exercised as to less than one hundred (100) Shares unless it is exercised as to all of the Shares then available thereunder. If an Option is exercised as to less than all of the Shares purchasable thereunder, a new duly executed Option Agreement reflecting the decreased number of Shares exercisable under such Option, but otherwise of the same tenor, shall be returned to the Grantee. The Exercise Price shall be paid in cash by (a) delivery of a certified or cashier's check payable to the order of the Company in such amount, (b) wire transfer of immediately available funds to a bank account designated by the Company, or (c) reduction of a debt of the Company to the Grantee. Promptly after an Option is properly exercised, the Company shall issue to the Grantee a certificate representing the Shares purchased thereunder.

Section 6.6. Option Agreement. Promptly after the Date of Grant, Neoprobe shall duly execute and deliver to the Grantee an Option Agreement setting forth the terms of the Option. Option Agreements are neither negotiable instruments nor securities (as such term is defined in Article 8 of the Uniform Commercial Code). Lost and destroyed Option Agreements may be replaced without bond.

Section 6.7. Articles 2 and 5. The provisions of Articles 2 and 5 above shall not apply to Options granted under this Article 6.

ARTICLE 7. RESTRICTED STOCK.

Section 7.1. Determinations. The Committee shall determine which Participants may purchase Restricted Stock, the number of shares of Restricted Stock each Grantee may purchase, the times when they may purchase Restricted Stock, the vesting and forfeiture provisions of the Restricted Stock and the purchase price of the Restricted Stock; provided, however, that the maximum number of shares of Restricted Stock which may be sold during any fiscal year of the Company to any Employee shall be one hundred thousand (100,000), and that the vesting parameters so prescribed shall include (a) the attainment of a preestablished performance goal that satisfies the requirements of Section 162(m) of the Code and the regulations thereunder and (b) the Committee's certification in writing of such attainment, whether incorporated in the minutes of the

Committee or otherwise. Notwithstanding the terms of any Award granted under this Section 7, all shares of Restricted Stock that have not previously

been forfeited shall vest fully and become transferable upon the occurrence of any Change in Control.

Section 7.2. Agreements. Once the Committee has made the determinations required by Section 7.1 above with respect to any Grantee, the appropriate officers of the Company shall enter into a Restricted Stock Purchase Agreement with the Grantee setting forth the terms determined by the Committee. No Holder shall have any right to purchase Restricted Stock, hold Restricted Stock, or exercise any rights as a stockholder of the Company unless and until such Holder has executed and delivered an appropriately completed form of Restricted Stock Purchase Agreement to the Company and the Company has delivered a counterpart thereof, executed by an appropriate officer of the Company, to the Holder. Restricted Stock Purchase Agreements are neither negotiable instruments nor securities (as such term is defined in Article 8 of the Uniform Commercial Code). Lost and destroyed Restricted Stock Purchase Agreements may be replaced without bond.

ARTICLE 8. PROVISIONS APPLICABLE TO ALL TYPES OF AWARDS.

Section 8.1. Surrender and Exchange. The Committee may permit the voluntary surrender of all or a portion of any Award to be conditioned upon the granting to the Participant of a new Award for the same or a different number of Shares as the Award surrendered, or may require such voluntary surrender as a condition precedent to a grant of a new Award to such Participant. Subject to the provisions of the Plan, such new Award shall be exercisable at the price, during the period and on such other terms and conditions as are specified by the Committee at the time the new Award is granted. Upon surrender, the Award surrendered shall be canceled and the Shares previously subject to it shall be available for the grant of other Awards.

Section 8.2. Corporate Mergers and Acquisitions. The Committee may grant Awards having terms and conditions which vary from those specified in the Plan if such Awards are granted in substitution for, or in connection with the assumption of, existing awards granted by another business entity and assumed or otherwise agreed to be provided for by Neoprobe pursuant to or by reason of a transaction involving a merger or consolidation of or acquisition of substantially all of the assets or stock of another business entity that is not a Subsidiary of Neoprobe prior to such acquisition, with or by Neoprobe or its Subsidiaries.

Section 8.3. Actions by Committee After Grant. The Committee shall, subject to the written consent of the Grantee where the action impairs or adversely alters the rights of the Grantee, have the right at any time and from time to time after the Date of Grant of any Award to modify the terms of any Award.

Section 8.4. Withholding. The Company shall have the right to withhold from any payments due under any Award or due to any Grantee from the Company as compensation or otherwise the amounts of any federal, state or local withholding taxes not paid by the Grantee at the time of the exercise or vesting of any Award or upon a disposition of Shares received upon the exercise of an Incentive Stock Option. If cash payments sufficient to allow for withholding of taxes are not made at the time of exercise or vesting of an Award, the Grantee exercising such Award shall pay to Neoprobe an amount equal to the withholding required to be made less the withholding otherwise made in cash or, if allowed by the Committee in its discretion and pursuant to rules adopted by the Committee consistent with Section 5.5 above, Shares previously owned by the Grantee. The Company may make such other provisions as it deems appropriate to withhold any taxes the Company determines are required to be withheld in connection with the exercise of any Award or upon a disqualifying disposition of Shares received upon the exercise of an Incentive Stock Option, including, but not limited to, the withholding of Shares from an Award upon such terms and conditions as the Committee may provide. The Company may require the Participant to satisfy any relevant withholding requirements before issuing Shares or delivering any Award to the Participant.

Section 8.5. Disability. If a Grantee who is an Employee with or Consultant to the Company is absent from work with the Company because of a physical or mental disability, for purposes of the

Plan, such Grantee will not be considered to have ended his employment with the Company while he has that disability, unless he resigns or the Committee decides

otherwise. If a Grantee who is a Director is absent from meetings of the Board of Directors because of a physical or mental disability, for purposes of the Plan, such Grantee will not be considered to have ended his service with the Board of Directors while he has that disability, unless he resigns or is not re-elected by the stockholders.

ARTICLE 9. GENERAL PROVISIONS.

Section 9.1. No Right to Employment. Nothing in the Plan or any Award or any instrument executed pursuant to the Plan will confer upon any Participant any right to continue to be employed by or provide services to the Company or affect the right of the Company to terminate the employment of any Participant or its other relationship with any Participant. Nothing in the Plan or any Award or any instrument executed pursuant to Article 6 of the Plan will confer upon any Participant any right to continue to be a Director of the Company or affect the right of the stockholders to terminate the directorship of any Participant.

Section 9.2. Limited Liability. The liability of the Company under this Plan or in connection with any exercise of any Award is limited to the obligations expressly set forth in the Plan and in the grant of any Award, and no term or provision of this Plan nor of any Award shall be construed to impose any duty, obligation or liability on the Company not expressly set forth in the Plan or any grant of any Award.

Section 9.3. Assumption of Awards. Upon the dissolution or liquidation of the Company, or upon a reorganization, merger or consolidation of the Company with one or more corporations as a result of which the Company is not the surviving corporation, or upon a sale of substantially all the assets of the Company to another corporation, any Awards outstanding theretofore granted or sold hereunder must be assumed by the surviving or purchasing corporation, with appropriate adjustments as to the number and kind of shares and price.

Section 9.4. No Transfer. No Award or other benefit under the Plan may be sold, pledged or otherwise transferred other than by will or the laws of descent and distribution; and no Award may be exercised during the life of the Participant to whom it was granted except by such Participant.

Section 9.5. Expenses. All costs and expenses incurred in connection with the administration of the Plan including any excise tax imposed upon the transfer of Shares pursuant to the exercise of an Award shall be borne by the Company.

Section 9.6. Notices. Notices and other communications required or permitted to be made under the Plan shall be in writing and shall be deemed to have been duly given if personally delivered or if sent by first class mail addressed (a) if to a Grantee, at his residence address set forth in the records of the Company or (b) if to the Company, to its President at its principal executive office.

Section 9.7. Third Parties. Nothing herein expressed or implied is intended or shall be construed to give any person other than the Grantees any rights or remedies under this Plan.

Section 9.8. Saturdays, Sundays and Holidays. Where this Plan authorizes or requires a payment or performance on a Saturday, Sunday or public holiday, such payment or performance shall be deemed to be timely if made on the next succeeding business day; provided, however, that this Section 9.8 shall not be construed to extend the ten (10) year period referred to in Section 5.3 or the five (5) year period referred to in Section 5.4(e) above.

Section 9.9. Rules of Construction. The captions and section numbers appearing in this Plan are inserted only as a matter of convenience. They do not define, limit or describe the scope or intent of the provisions of this Plan. In this Plan words in the singular number include the plural, and in the plural include the singular; and words of the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender may refer to any gender.

Section 9.10. Governing Law. The validity, terms, performance and enforcement of this Plan

shall be governed by laws of the State of Delaware that are applicable to

agreements negotiated, executed, delivered and performed solely in the State of Delaware.

Section 9.11. Effective Date of the Plan. The Plan shall become effective upon its approval by the affirmative vote of the holders of a majority of the outstanding Shares present, or represented, and entitled to vote at a meeting of the stockholders of Neoprobe. Awards may be granted by the Committee before such approval, but all Awards so granted shall be conditioned on such approval and shall be void if such approval is not given within twelve (12) months after the Effective Date. All Options granted under paragraph (a) of Section 6.1 above shall be conditioned on such approval and shall be void if such approval is not given within twelve (12) months after the Effective Date.

Section 9.12. Amendment and Termination. No Award shall be granted under the Plan more than ten (10) years after the Effective Date. The Board of Directors may at any time terminate the Plan, or make such amendment of the Plan as it may deem advisable; provided, however, that no amendment shall be effective without the approval of the stockholders of the Company by the affirmative vote of the holders of a majority of the outstanding Shares present, or represented, and entitled to vote at a meeting of stockholders duly held, if it would:

(a) materially increase the benefits accruing to Participants under the Plan;

(b) materially increase the number of Shares which may be issued under the Plan; or

(c) materially modify the requirements as to eligibility for participation in the Plan;

and, further, provided, however, that no amendment or termination of the Plan shall be effective to alter or impair the rights of a Grantee under any Award made before the adoption of such amendment or termination by the Board of Directors, without the written consent of such Grantee. No termination or amendment of this Plan or any Award nor waiver of any right or requirement under this Plan or any Award shall be binding on the Company unless it is in a writing duly entered into its records and executed by a duly authorized Officer. The provisions of Article 6 of this Plan setting forth the formulae that determine the Exercise Price of Options granted hereunder, the number of Shares as to which they are exercisable, the times when they are granted and the persons who are Participants may not be amended more than once every six (6) months, other than to comport with changes in the Code, the Employee Retirement Security Income Act of 1974, as amended, or the rules thereunder.

EXHIBIT A

NEOPROBE CORPORATION
SUITE 400
425 METRO PLACE NORTH
DUBLIN, OHIO 43017-1367

(Date of Grant)

(Name of Grantee)
(Street)
(City, State, Zip)

Congratulations. You have been granted a Stock Option under Neoprobe's 1996 Stock Incentive Plan (the "Plan") on the following terms:

1. NUMBER OF SHARES. The number of Shares of Common Stock of Neoprobe Corporation that you may purchase under this Option is:(Number)

2. EXERCISE PRICE. The exercise price to purchase Shares under this Option is: $(Price) per Share.

3. VESTING. One third (1/3) of the Shares originally subject to this Option will vest and become exercisable on each anniversary of the (Date of Grant) if you have been an [Employee][Consultant] of the Company continuously from the date of this Agreement shown above through the date when such portion of the Option vests[subject to the

special rule referred to in paragraph 5 below].

4. LAPSE. This Option will lapse and cease to be exercisable upon the earliest of:

(i) the expiration of 10 years from the date of this Agreement shown above,

(ii) [9][6] months after you cease to be an [Employee][Consultant] because of your death or disability,

(iii)90 days after your [employment with][services to] Neoprobe or any Subsidiary [is][are] terminated by Neoprobe or such Subsidiary without cause, or

(iv) immediately upon termination of your [employment with][services to] Neoprobe or any Subsidiary by Neoprobe or any Subsidiary for cause or by your resignation.

5. TAXATION. This Option is [an Incentive Stock Option][a Nonqualified Option].[Because this Option is an Incentive Stock Option vesting of a portion of this Option or of other Incentive Stock Options held by you may be deferred under a special rule set forth in Section 5.4 (c) of the Plan. If you exercise this Option and dispose of any of the Shares received by you as a result of such exercise within two years from the date above or within one year after the transfer of such Shares to you upon such exercise, you must notify Neoprobe of such disposition and the amount received as a result thereof and pay or provide for the withholding taxes on such disposition.] [You will have taxable income upon the exercise of this Option. At that time, you must pay to Neoprobe an amount equal to the required federal, state, and local tax withholding less any withholding otherwise made from your salary or bonus. You must satisfy any relevant withholding requirements before Neoprobe issues Shares to you.]

6. EXERCISE. This Option may be exercised by the delivery of this Agreement with the notice of exercise attached hereto properly completed and signed by you to the Treasurer of the Company, together with the aggregate Exercise Price for the number of Shares as to which the Option is being exercised, after the Option has become exercisable and before it has ceased to be exercisable. The Exercise Price must be paid in cash by

(a) delivery of a certified or cashier's check payable to the order of Neoprobe in such amount, (b) wire transfer of immediately available funds to a bank account designated by Neoprobe, or (c) reduction of a debt of Neoprobe to you. This Option may be exercised as to less than all of the Shares purchasable hereunder, but not for a fractional share, nor may it be exercised as to less than one hundred (100) Shares unless it is exercised as to all of the Shares then available hereunder. If this Option is exercised as to less than all of the Shares purchasable hereunder, a new duly executed Option Agreement reflecting the decreased number of Shares exercisable under such Option, but otherwise of the same tenor, will be returned to you.

7. NO TRANSFER. This Option may not be sold, pledged nor otherwise transferred other than by will or the laws of descent and distribution; and it may only be exercised during your lifetime by you. This Agreement is neither a negotiable instrument nor a security (as such term is defined in Article 8 of the Uniform Commercial Code).

8. NOT AN EMPLOYMENT AGREEMENT. This Agreement is not an employment agreement and nothing contained herein gives you any right to continue to be employed by or provide services to Neoprobe or affects the right of Neoprobe to terminate your employment or other relationship with you.

9. PLAN CONTROLS. This Agreement is an Option Agreement (as such term is defined in the Plan) under Article 5 of the Plan. The terms of this Agreement are subject to, and controlled by, the terms of the Plan, as it is now in effect or may be amended from time to time hereafter, which are incorporated herein as if they were set forth in full. Any words or phrases defined in the Plan have the same meanings in this Agreement. Neoprobe will provide you with a copy of the Plan promptly upon your written or oral request made to its Vice President--Finance and Administration.

10. MISCELLANEOUS. This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof and it supersedes and discharges all prior agreements (written or oral) and negotiations and all contemporaneous oral agreements concerning such subject matter. This Agreement may not be amended or terminated except by a writing signed by the party against whom any such amendment or termination is sought. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. This Agreement shall be governed by the laws of the State of Delaware.

Please acknowledge your acceptance of this Agreement by signing the enclosed copy in the space provided below and returning it promptly to Neoprobe.

NEOPROBE CORPORATION

By:_____
(Name of Officer), (Title)

Accepted and Agreed to as of the date first set forth above:

_____
(Name of Grantee)

OPTION EXERCISE FORM

The undersigned hereby exercises the right to purchase _____ shares of Common Stock of Neoprobe Corporation pursuant to the Option Agreement dated (Date of Grant) under the Neoprobe Corporation 1996 Stock Incentive Plan.

Date: _____

_____
(Name of Grantee)

_____

Sign and complete this Option Exercise Form and deliver it to:

Neoprobe Corporation
Att'n: Treasurer
425 Metro Place North
Suite 400
Dublin, Ohio 43017-1367

together with the option price in cash by (a) delivery of a certified or cashier's check payable to the order of Neoprobe in such amount, (b) wire transfer of immediately available funds to a bank account designated by Neoprobe, or (c) reduction of a debt of Neoprobe to you.

EXHIBIT B

NEOPROBE CORPORATION
SUITE 400
425 METRO PLACE NORTH
DUBLIN, OHIO 43017-1367

(Date of Grant)

(Name of Grantee)
(Street)
(City, State, Zip)

Congratulations. You have been granted a Stock Option under Neoprobe's Stock Option and Restricted Stock Purchase Plan (the "Plan") on the following terms:

1. NUMBER OF SHARES. The number of Shares of Common Stock of Neoprobe Corporation that you may purchase under this Option is three thousand six hundred (3,600).

2. EXERCISE PRICE. The exercise price to purchase Shares under this Option is: $(Price) per Share.

3. VESTING. Thirty-three and one-third percent (33-1/3%) of the Shares originally subject to this Option will vest and become exercisable on each Meeting Date which is held more than six months after the date of this Agreement shown above if you are a Director at the time of the adjournment of the meeting of stockholders held on such Meeting Date.

4. LAPSE. This Option will lapse and cease to be exercisable upon the earliest of:

(i) the expiration of 10 years from the date of this Agreement shown above,

(ii) 9 months after you cease to be a Director because of your death or disability,

(iii) immediately upon your resignation as a Director, or

(iv) 30 days after you cease to be a Director for any reason other than your death, disability or resignation..

5. TAXATION. This Option is a Nonqualified Option. You will have taxable income upon the exercise of this Option.

6. EXERCISE. This Option may be exercised by the delivery of this Agreement with the notice of exercise attached hereto properly completed and signed by you to the Treasurer of the Company, together with the aggregate Exercise Price for the number of Shares as to which the Option is being exercised, after the Option has become exercisable and before it has ceased to be exercisable. The Exercise Price must be paid in cash by (a) delivery of a certified or cashier's check payable to the order of Neoprobe in such amount, (b) wire transfer of immediately available funds to a bank account designated by Neoprobe, or (c) reduction of a debt of Neoprobe to you. This Option may be exercised as to less than all of the Shares purchasable hereunder, but not for a fractional share, nor may it be exercised as to less than one hundred (100) Shares unless it is exercised as to all of the Shares then available hereunder. If this Option is exercised as to less than all of the Shares purchasable hereunder, a new duly executed Option Agreement reflecting the decreased number of Shares exercisable under such Option, but otherwise of the same tenor, will be returned to you.

7. NO TRANSFER. This Option may not be sold, pledged nor otherwise transferred other than by will or the laws of descent and distribution; and it may only be exercised during your lifetime by you. This Agreement is

neither a negotiable instrument nor a security (as such term is defined in Article 8 of the Uniform Commercial Code).

8. NOT AN EMPLOYMENT AGREEMENT. This Agreement is not an employment agreement and nothing contained herein gives you any right to continue to be a Director of the Company or affect the right of the stockholders to terminate your directorship.

9. PLAN CONTROLS. This Agreement is an Option Agreement (as such term is defined in the Plan) under Article 6 of the Plan. The terms of this Agreement are subject to, and controlled by, the terms of the Plan, as it is now in effect or may be amended from time to time hereafter, which are incorporated herein as if they were set forth in full. Any words or phrases defined in the Plan have the same meanings in this Agreement. Neoprobe will provide you with a copy of the Plan promptly upon your written or oral

request made to its Vice President--Finance and Administration.

10. MISCELLANEOUS. This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof and it supersedes and discharges all prior agreements (written or oral) and negotiations and all contemporaneous oral agreements concerning such subject matter. This Agreement may not be amended or terminated except by a writing signed by the party against whom any such amendment or termination is sought. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. This Agreement shall be governed by the laws of the State of Delaware.

Please acknowledge your acceptance of this Agreement by signing the enclosed copy in the space provided below and returning it promptly to Neoprobe.

NEOPROBE CORPORATION

By:_____
(Name of Officer), (Title)

Accepted and Agreed to as of the date first set forth above:

_____
(Name of Grantee)

OPTION EXERCISE FORM

The undersigned hereby exercises the right to purchase _____ shares of Common Stock of Neoprobe Corporation pursuant to the Option Agreement dated (Date of Grant) under the Neoprobe Corporation Stock Option and Restricted Stock Purchase Plan.

Date: _____

_____
(Name of Grantee)

_____

Sign and complete this Option Exercise Form and deliver it to:

Neoprobe Corporation
Att'n: Treasurer
425 Metro Place North
Suite 400
Dublin, Ohio 43017-1367

together with the option price in cash by (a) delivery of a certified or cashier's check payable to the order of Neoprobe in such amount, (b) wire transfer of immediately available funds to a bank account designated by Neoprobe, or (c) reduction of a debt of Neoprobe to you.

EXHIBIT C
RESTRICTED STOCK PURCHASE AGREEMENT

NEOPROBE CORPORATION
SUITE 400
425 METRO PLACE NORTH
DUBLIN, OHIO 43017-1367

(Date of Grant)

(Name of Grantee)
(Street)
(City, State, Zip)

Congratulations. You (the "Executive") have been granted a right to purchase Restricted Stock under the Company's 1996 Stock Incentive Plan (the "Plan") on the following terms:

1. PURCHASE AND SALE.

(a) On the terms and subject to the conditions set forth in this Agreement, the Executive hereby subscribes for and agrees to purchase _____ shares of Common Stock (the "Restricted Stock") for and in consideration of a payment to the Company by the Executive of _____ per share. Concurrently with the execution of this Agreement, the Executive has delivered to the Company his check drawn on sufficient funds and payable to the order of the Company in the amount of $ _____, receipt of which is acknowledged by the Company. The Executive agrees to deliver to the Secretary of the Company the certificates representing the Restricted Stock together with stock powers duly endorsed in blank promptly upon receipt thereof from the transfer agent of the Company.

(b) The fair market value of Common Stock is demonstrated by the closing price on the _____ of such securities on the business day before the date first set forth above which was $_____. The Executive and the Company intend that the transactions provided for in this Agreement will be governed by the provisions of Section 83(a) of the Internal Revenue Code of 1986.

2. TRANSFER RESTRICTIONS.

(a) In consideration of the difference between the purchase price of the Restricted Stock set forth in Section 1 above and its fair market value without the restrictions and risk of forfeiture set forth herein, the Executive agrees that, unless and until any of the Restricted Stock vests and becomes transferable as provided in Section 4 below, the Executive may neither transfer, sell, assign nor pledge any of the Restricted Stock.

(b) This paragraph may be deleted if Shares issuable under the Plan are registered. The Executive understands the Restricted Stock has neither been registered under the Securities Act of 1933 nor under any applicable state securities law on the ground that the sale provided for in this Agreement and the issuance of securities hereunder are exempt from registration under the Securities Act of 1933 pursuant to Section 4(2) thereof, but the Company's reliance on such exemption is predicated on the Executive's representations set forth herein and that in order to obtain such exemption, the transfer of such securities is restricted by this paragraph and the legend set forth below. The Executive represents and warrants to the Company that he or she is purchasing the Restricted Stock for his or her own account and not for other persons and for investment and not with a view to the distribution of any of the Restricted Stock. The Executive will not offer for sale, sell or otherwise transfer any Restricted

Stock, even after it has vested and has become transferable under Section 4 below, unless such securities have been registered under the Securities Act of 1933 and under applicable state securities laws or such securities or their offer, sale or transfer are exempt from such registration and the Company has received an opinion of counsel, in form and substance reasonably satisfactory to the Company, to that effect.

(c) Any certificate representing any Restricted Stock issued hereunder shall bear the following legend:

> THE TRANSFER OF THESE SECURITIES IS RESTRICTED BY, AND SUCH SECURITIES ARE SUBJECT TO A RISK OF FORFEITURE, UNDER A RESTRICTED STOCK PURCHASE AGREEMENT BETWEEN THE REGISTERED OWNER HEREOF AND THE ISSUER DATED _____, 199_. The remainder of this paragraph may be deleted if Shares issuable under the Plan are registered. THESE SECURITIES HAVE NEITHER BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR UNDER ANY APPLICABLE STATE SECURITIES LAW. THESE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED UNLESS

THEY ARE REGISTERED UNDER THE SECURITIES ACT OF 1933 AND UNDER APPLICABLE STATE SECURITIES LAWS OR THEY OR SUCH OFFER, SALE OR TRANSFER ARE EXEMPT FROM SUCH REGISTRATION AND THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY IN FORM AND SUBSTANCE, TO THAT EFFECT.

3. FORFEITURE. The Executive will forfeit any portion of the Restricted Stock purchased under this Agreement that has not vested and become transferable on the earliest of:

(a) the expiration of 10 years from the date of this Agreement,

(b) nine months after Executive ceases to be an Employee because of Executive's death or disability,

(c) 90 days after the termination without cause of Executive's employment with the Employer, or

(d) immediately upon termination of Executive's employment with the Employer by the Employer for cause or by Executive's resignation.

Upon the occurrence of such forfeiture all of the right, title and interest in and to any shares of Restricted Stock which has been forfeited shall be terminated and the Company shall cause the certificates representing the forfeited shares to be canceled or transferred free and clear of all restrictions to its treasury and the Company shall pay to the Executive _____ per share for each share so forfeited.

4. VESTING PROVISIONS.

(a) A portion of the Restricted Stock that has not previously been forfeited under Section 3 above shall vest and become transferable if and when the Company attains (and the Committee certifies in its minutes or another writing the attainment of) a preestablished performance goal that satisfies the requirements of Section 162(m) of the Code and the regulations thereunder as follows: [* INSERT VESTING FORMULA BASED ON ONE OR MORE BUSINESS CRITERIA THAT APPLY TO THE INDIVIDUAL EXECUTIVE, A BUSINESS UNIT OR THE COMPANY AS A WHOLE. SUCH BUSINESS CRITERIA MAY INCLUDE ONE OR A COMBINATION OF STOCK PRICE, TOTAL STOCKHOLDER RETURN, EARNINGS PER SHARE OR RETURN ON EQUITY. OTHER BUSINESS CRITERIA MAY BE STATISTICS RELATING TO ECONOMIC PERFORMANCE INCLUDING REVENUE, OPERATING EXPENSES, OR EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION; OR THE BUSINESS CRITERIA MAY BE THE ACHIEVEMENT OF A NON-STATISTICAL GOAL SUCH AS THE INTRODUCTION, TESTING OR LICENSING OF A NEW PRODUCT, LICENSING OR ACQUIRING ASSETS OR RIGHTS, ENTERING INTO A JOINT VENTURE OR STRATEGIC ALLIANCE, OR A CHANGE IN CONTROL OF THE COMPANY OR ANOTHER MERGER OR ACQUISITION.. *].

(b) When any portion of the Restricted Stock vests and becomes transferable, the Company shall promptly deliver a certificate (free of all adverse claims and transfer restrictions other than the restriction imposed by paragraph (b) of Section 2 above) representing the number of shares constituting the vested and transferable portion of the Restricted Stock to the Executive at his or her address given above and such shares shall no longer be deemed to be Restricted Stock subject to the terms and conditions of this Agreement other than paragraph (b) of Section 2 above.

5. RIGHTS; STOCK DIVIDENDS. Except for the restrictions on transfer set forth in Section 2 and the possibility of forfeiture set forth in Section 3, upon the issuance of a certificate representing shares of Restricted Stock, the Executive will have all other rights in such shares, including the right to vote such shares and receive dividends other than dividends on or distributions of shares of any class of stock issued by the Company which dividends or distributions shall be delivered to the Company under the same restrictions on transfer and possibility of forfeitures as the shares of Restricted Stock from which they derive. Upon the occurrence of such a dividend or distribution the dollar amounts set forth in Paragraph (a) of Section 4 shall be appropriately adjusted by the Committee.

6. TAXATION. Both you and we intend that the transactions provided for in this Agreement will be governed by the provisions of Section 83(a) of the Internal Revenue Code of 1986. You will have taxable income upon the vesting of

Restricted Stock. At that time, you must pay to the Company an amount equal to the required federal, state, and local tax withholding less any withholding otherwise made from your salary or bonus. You must satisfy any relevant withholding requirements before the Company issues Shares to you.

7. NOT AN EMPLOYMENT AGREEMENT. This Agreement is not an employment agreement and nothing contained herein gives you any right to continue to be employed by or provide services to the Company or affects the right of the Company to terminate your employment or other relationship with you.

8. PLAN CONTROLS. This Agreement is a Restricted Stock Purchase Agreement (as such term is defined in the Plan) under Article 7 of the Plan. The terms of this Agreement are subject to, and controlled by, the terms of the Plan, as it is now in effect or may be amended from time to time hereafter, which are incorporated herein as if they were set forth in full. Any words or phrases defined in the Plan have the same meanings in this Agreement. The Company will provide you with a copy of the Plan promptly upon your written or oral request made to its Treasurer.

9. MISCELLANEOUS. This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof and it supersedes and discharges all prior agreements (written or oral) and negotiations and all contemporaneous oral agreements concerning such subject matter. This Agreement may not be amended or terminated except by a writing signed by the party against whom any such amendment or termination is sought. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. This Agreement shall be governed by the laws of the State of Delaware.

Please acknowledge your acceptance of this Agreement by signing the enclosed copy in the space provided below and returning it promptly to the Company.

NEOPROBE CORPORATION

By: _____
(Name of Officer), (Title)

Accepted and Agreed to as of the date first set forth above:

_____
(Name of Grantee)

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

Exhibit 10.3.42

SUPPLY AGREEMENT

This Agreement is made effective as of April 1, 1996 ("Effective Date"), by and between Neoprobe-Peptor JV L.L.C., a limited liability company of the State of Delaware, U.S.A. ("JV"), and Peptor Ltd., an Israeli company ("Peptor").

RECITALS:

WHEREAS, Peptor, and Neoprobe Corporation, a Delaware, U.S.A. corporation ("Neoprobe") have agreed to the formation of JV between Neoprobe and Peptor Corp, a corporation of the State of Delaware, by the concurrent entry into a Limited Liability Company Agreement between Neoprobe and Peptor Corp.;

WHEREAS, Peptor has developed or obtained technology enabling it to manufacture proteins of interest to JV;

WHEREAS, Peptor is willing to become an exclusive supplier of proteins to JV; and WHEREAS, JV is willing to purchase its entire requirements of proteins from Peptor;

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, JV and Peptor agree as follows:

AGREEMENT:

ARTICLE I. - SUPPLY

1.1 (a) During the Term of this Agreement, Peptor agrees to manufacture Peptor Proprietary Proteins as defined in the Limited Liability Company Agreement ("PRODUCT") according to Specifications And Test Methods set forth in Exhibit A hereto (hereinafter "SPECIFICATIONS"). During the Term of this Agreement or any extensions thereof, Peptor shall use reasonable best efforts to meet JV's PRODUCT order and delivery requirements, as advised from JV from time to time.

(b) During the Term of this Agreement, Company agrees to buy its entire requirements of PRODUCT from Peptor, subject to the terms and conditions set forth herein.

(c) JV and Peptor agree that Peptor, if it so determines, may on a contract basis, manufacture proteins for itself or for companies other than JV. Notwithstanding the foregoing, Peptor, in allocating its production capacity, shall give priority to the supply requirements of JV.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

(d) The commercial price per vial of the PRODUCT during the Term hereof shall be * . Peptor agrees that the vials of PRODUCT shall meet the requirements set out in the SPECIFICATIONS.

(e) "Commercial Sale" for present purposes means the earlier of the sale of the PRODUCT in the United States has received approval by the United States Food and PRODUCT Administration ("FDA"), or has received approval by the appropriate regulatory agency in at least two (2) of the following four (4) countries: United Kingdom, France, Germany, and Italy ("European Authorities").

1.2 (a) Upon written notice by JV to Peptor, Peptor shall at the expense of JV submit an ELA and updated PRODUCT Master File ("DMF"), if required, to the FDA in sufficient detail describing the manufacturing of the PRODUCT and Peptor's facilities as may be required for the "Manufacturing Section" of JV's IND. JV shall advise Peptor, at Peptor's request, in

matters pertaining to the content and requirements of the DMF and ELA. Peptor also agrees to supply a copy of sections of their DMF directly relating to the PRODUCT or any portion thereof to JV upon JV's request. Peptor shall give JV the right to reference such DMF.

(b) Upon written notice by Peptor to JV, Peptor shall at its own expense submit and file for corresponding approval to market the PRODUCT in countries in the TERRITORY. Peptor agrees to supply copies of all papers relating to this task to JV. JV shall cooperate with Peptor in this task.

1.3 Peptor warrants that the PRODUCT:

(i) shall meet the SPECIFICATIONS which include the obligation of Peptor to comply with all applicable Good Laboratory Practices ("GLP's"), Good Manufacturing Practices ("cGMP's") and other such applicable regulations of the FDA and European Authorities;

(ii) shall be packaged and shipped to Neoprobe Corporation or its designee for radiolabeling in a manner consistent with the SPECIFICATIONS; and

* Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested Confidential Treatment of this information.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

(iii) shall otherwise comply with the requirements of the FDA and European Authorities for commercial sale of the PRODUCT. Peptor further warrants that it shall convey good title to all quantities of PRODUCT supplied hereunder.

1.4 Peptor shall test each batch of PRODUCT prior to shipment and shall retain records (for the period of time required by cGMP regulations) pertaining to each such test. The tests and analyses to be conducted shall be specified in Exhibit A hereto and may be changed by mutual written consent of the parties.

1.5 JV shall have the right, at reasonable times and with reasonable prior notice, to inspect Peptor's production facilities to confirm Peptor's compliance with cGMP's and the SPECIFICATIONS, and to review the records under this Article, and other testing standards. In the event that JV observes a condition which causes it to believe that the PRODUCT is not being manufactured in accordance with cGMP's, the SPECIFICATIONS, or other testing standards, Peptor and JV shall immediately meet to discuss the concerns and any additions or modifications to bring the facilities and production procedures into compliance. The parties agree to use their reasonable efforts to modify facilities and/or production procedures to bring the manufacture of the PRODUCT into full compliance based on the parties' understanding of such regulations. In the event the parties cannot resolve the issue of compliance, a third party expert, acceptable to both parties and bound by confidentiality, shall be employed to resolve the issue and the decision by such third party shall be binding. The cost incurred with respect to said expert shall be borne by JV.

1.6 At JV's request and with reasonable prior notice to Peptor, Peptor agrees to permit the FDA to inspect Peptor's production facilities.

1.7 Peptor shall submit, at its expense and with the consent and cooperation of JV as set forth in this Article, an Establishment License Application ("ELA"), if required, to manufacture the PRODUCT commercially. JV shall promptly advise Peptor, at Peptor's request, in matters pertaining to U.S. regulatory requirements relating to the manufacture of the PRODUCT.

1.8 Should JV request Peptor to provide proof of manufacture of the PRODUCT to a regulatory authority, Peptor agrees to cooperate and supply

information in response to

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

such request. JV agrees to reimburse any out of pocket expenses to Peptor for their effort.

1.9 With respect to supply of the PRODUCT for use in a European country, the provisions of this Article I shall be construed to encompass the various equivalent (or most nearly equivalent) regulatory agencies and regulations applicable. The parties agree to negotiate in good faith any modifications to the provisions hereof occasioned by virtue of the supply of the PRODUCT to a European country.

1.10 JV hereby grants to Peptor during the Term hereof a non-exclusive irrevocable and unconditional option to supply additional products upon terms and conditions to be mutually agreed upon by the parties hereto acting in good faith.

ARTICLE II - PAYMENTS

JV agrees to pay all invoices submitted by Peptor hereunder within thirty (30) days thereof.

ARTICLE III - CONFIDENTIALITY

3.1 Both parties to this Agreement agree to maintain any information received from the other party under this Agreement ("INFORMATION") in confidence and not disclose the INFORMATION to any person or entity that is not a party to this Agreement.

3.2 INFORMATION exchanged under this Agreement may be in any form such as written or oral. Upon termination of the Agreement, if requested by the disclosing party, the receiving party will return any INFORMATION received in tangible form together with any copies receiving party may have made.

3.3 The foregoing obligations shall not apply to INFORMATION which Peptor or JV can demonstrate falls within one of the following exceptions.

(a) is, or without the fault of the receiving party becomes, available to the public; or

(b) was known to the receiving party prior to receipt from the disclosing party; or

(c) was received without restriction from a third party having the right to make such disclosure.

If JV or Peptor breach their confidentiality obligations and the INFORMATION thereby becomes available to the public, the non-breaching party (either JV or Peptor) is not thereby released from their confidentiality obligations under this Agreement.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

3.4 INFORMATION disclosed to a receiving party in Article 3.1 which is specific shall not be deemed to be within any of the above exceptions merely because it is embraced by more general information coming within one of the exceptions. Any combination of features disclosed to a Receiving Party shall not be deemed to be within any exception merely because individual features thereof fall within one of the exceptions.

3.5 A receiving party shall notify the disclosing party promptly in writing, after receipt thereof, with supporting evidence when any INFORMATION received is considered by a receiving party to fall within any of the exceptions of Article 3.3.

3.6 The confidentiality provisions of the Agreement will remain in effect for five (5) years from the expiration or termination of this Agreement.

ARTICLE IV - TERM

The Term of this Agreement shall extend for thirty-six (36) months after Commercial Sales begin. Thereafter, the Term shall automatically be renewed for like periods of thirty-six (36) months unless JV notifies the Peptor within one (1) year from the end of each thirty-six (36) month term that the Agreement is to be terminated.

ARTICLE V - TERMINATION

5.1 Should JV terminate this Agreement for whatever reason, Peptor shall be entitled to retain all the payments made to Peptor by JV.

5.2 In any event, any termination of this Agreement shall not relieve JV or Peptor of their respective obligations of confidentiality under Article III.

ARTICLE VI - FORCE MAJEURE

6.1 Neither party shall be responsible in any way to the other party for failure to perform any of its obligations under this Agreement when such failure is due to any war, fire, flood, labor trouble, strike, natural calamity, accident, riot, act of governmental authority, inability or economic impracticality to comply with requirements imposed by environmental regulations or orders, Acts of God, or other similar contingencies beyond the reasonable control of either party.

6.2 Peptor shall not be held liable to JV for default or delay in the manufacture or delivery of the PRODUCT due to an act of God, accident, fire, flood, storm, riot, sabotage,

explosion, strike, labor disturbance, national defense requirements, governmental law, ordinance rule or regulation, whether valid or invalid, inability to obtain electricity or other types of energy, raw materials, labor, equipment or transportation, or any similar contingency beyond its reasonable control whether the contingency is of the same class as those enumerated above, it being expressly agreed that such enumeration shall be non-exclusive (each contingency is referred to in this Agreement as an ("event of force majeure"). Peptor shall give JV immediate notice of any occurrence of any such contingency.

ARTICLE VII - EXPORT CONTROL

7.1 Peptor and JV also agree not to disclose any INFORMATION, except that which becomes generally known to the public under the exceptions to confidentiality given in Article IV, or to re-export, either directly or indirectly, any technical data relating to commodities incorporating INFORMATION or any direct product of the technical data (the PRODUCT) to Albania, Bulgaria, Cambodia, Cuba, Czech Republic (former Czechoslovakia), Estonia, Haiti, Iran, Iraq, Laos, Latvia, Lithuania, Libya, Mongolian People's Republic, North Korea, People's Republic of China, Poland, Slovak Republic (former Czechoslovakia), South African military and police, Romania, Syria, former republics and geographic regions of the Union of Soviet Socialist Republics, Vietnam, Yugoslavia (Serbia and Montenegro) or any other country that may in the future be covered by the United States Export Administration Act of 1979 as amended and the Trading With the Enemy Act and the regulations of the U.S. Departments of Commerce, Defense, State, Energy and Treasury pursuant thereto. Peptor and JV also agree that they will not re-export, either directly or indirectly, such INFORMATION, technical data or direct products (the PRODUCT) to any country other than those listed in the preceding sentence without first obtaining a written letter of assurance equivalent in scope to this paragraph or the appropriate license from the U.S. government.

7.2 With regard to the preceding paragraph, JV shall provide Peptor with notice of any additions or deletions to the above countries listed and which change would impact this Agreement, with the notice to be sent as specified in Article XI.

7.3 Peptor agrees to use reasonable efforts to comply with this Article and agrees to indemnify JV for any intentional breach incurred by Peptor's shipment of the PRODUCT, or

technical data relating to commodities incorporating INFORMATION, in contravention of this Article.

7.4 This Article shall survive any termination of the Agreement.

ARTICLE VIII - CHOICE OF LAW

8.1 The provisions of this Agreement shall be governed and construed under the laws of the State of Ohio.

8.2 If any provision of this Agreement shall be found or held to be invalid or unenforceable, the meaning of such provision shall be construed, to the extent feasible, so as to render the provision enforceable, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect unless the severed provision is essential and material to the rights or benefits received by any party hereto. In such event, the parties shall use their best efforts to negotiate, in good faith, a substitute, valid, and enforceable provision or agreement which most nearly effectuates the parties' intent into entering into this Agreement.

ARTICLE IX - INDEMNITIES

9.1 JV shall indemnify Peptor for and save Peptor harmless from all losses, costs or damage (including reasonable attorney fees and expenses) suffered or incurred by Peptor in respect of damage to or destruction of property, personal injury or death which may be caused by or arise from, either wholly or in part, from JV's negligence or that of its directors, officers, or employees, agents, or representatives or those third parties to whom JV directs Peptor to ship the product.

9.2 Peptor shall indemnify JV for and save JV harmless from all losses, costs or damage (including reasonable attorney fees and expenses) suffered or incurred by JV in respect of damage to or destruction of property, personal injury or death which may be caused by or arise from Peptor's negligence or that of its directors, officers, or employees, agents or representatives.

9.3 This Article shall survive any termination of this Agreement.

ARTICLE X - WAIVER

10.1 No failure on the part of any party to exercise and no delay in exercising any right, power, remedy, or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, including without limitation, the right or power to terminate this Agreement, shall impair, prejudice, or constitute a waiver of any such right, power, remedy, or privilege, or be construed as a waiver of any breach of this Agreement or as an acquiescence therein, nor shall any single or partial exercise of any such right, power, remedy, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, remedy, or privilege.

10.2 No amendment, modification, waiver, termination or discharge of any provision of this Agreement, nor consent to any departure by any party therefrom, shall in any event be effective unless the same shall be in writing specifically identifying this Agreement and the provision intended to be amended, modified, waived, terminated, or discharged and any such amendment, modification, waiver, termination or discharge shall be effective only in the specific instance and for the specific purpose for which given. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by both parties hereto.

ARTICLE XI - NOTICE

All notices, requests, and other communications to JV or Peptor hereunder shall be in writing (including telecopy or similar electronic transmissions), shall refer specifically to this Agreement and shall be personally delivered or sent by telecopy or other electronic facsimile transmission or by registered mail, or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below (or such other address as may be specified in writing to the other party hereto) or in the case of a telecopy or other electronic transmission, to such party by means confirmed in writing or by agreement:

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

If to JV:

Neoprobe-Peptor JV L.L.C.
Attention: David C. Bupp
425 Metro Place North
Suite 400
Dublin, OH 43017-1367
tel.: 614-793-7500
fax: 614-793-7522

with a copy to:

J.K. Mueller, Jr., Esq.
MUELLER AND SMITH, L.P.A.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, Ohio 43235
tel.: 614-436-0600
fax: 614-436-0057

If to Peptor:

Yoram Karmon, President
Peptor Ltd.
Kiryat Weizmann
Rehovot 76326
ISRAEL
tel.:
fax:

Any notice or communication given in conformity with this Article XI shall be deemed to be effective when received by the addressee, if delivered by hand, telecopy or other electronic transmission, and seven (7) days after mailing, if mailed.

ARTICLE XII - HEADINGS

The headings used in this Agreement are inserted for reference and shall not be deemed as part of the text.

ARTICLE XIII - UNDERSTANDING

13.1 This Agreement represents the entire understanding of the parties with respect to the subject matter hereof. All agreements, covenants, representations, warranties and indemnities set forth in this Agreement shall survive the execution and delivery of this Agreement.

13.2 Each party hereto agrees to duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including, without limitation, the filing of such additional assignments, agreements,

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

documents, and instruments, that may be necessary or as any other party hereto may at any time and from time to time reasonably request in connection with this Agreement or to carry out more effectually the provisions and purposes of, or to better assure and confirm unto such other party its rights and remedies under, this Agreement.

13.3 The relationship between JV and Peptor under this Agreement is that of buyer and seller, and nothing contained in this Agreement shall constitute Peptor the agent or representative of JV for any purpose whatsoever. In particular, but without derogating from the generality of the foregoing, Peptor shall have no right to assume or create any

obligation, contract or commitment, expressed or implied, or make any representation, on behalf, or in the name, of JV, and Peptor shall indemnify JV and hold JV harmless against and from any liability arising from any such act by Peptor.

13.4 This Agreement constitutes, on and as of the date hereof, the entire agreement of the parties with respect to the subject matter hereof, and all prior or contemporaneous understanding or agreements, whether written or oral, between the parties with respect to such subject matter are hereby superseded in their entireties.

13.5 This Agreement may be executed in any number of counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

13.6 If any controversy or claim arising out of this Agreement cannot be settled by the parties, the controversy or claim shall be settled by arbitration conducted by a single arbitrator, mutually elected by the parties (or if the parties fail to elect such arbitrator within two (2) weeks from the date a party hereto notifies the other parties in writing that it wishes to commence arbitration proceedings, an arbitrator elected by the American Arbitration Association, in the city of New York, N.Y., and judgment on the award may be entered in any court having jurisdiction.

ARTICLE XIV - ASSIGNMENT

The terms and provisions of this Agreement shall inure to the benefit of, and be binding upon, JV, Peptor, and their respective successors and authorized assigns; provided, however, that, except as provided herein, no party may assign or otherwise transfer any of its rights and interests, nor delegate any of its respective obligations, hereunder, including, without limitation, pursuant to a merger or consolidation, without the prior written consent of the other party hereto. Any

attempt to assign or delegate any portion of this Agreement in violation of this Article XIV shall be null and void. Subject to the foregoing, any reference to JV or Peptor hereunder shall be deemed to include the successors thereto and assigns thereof.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed by its duly authorized representatives on the 1st day of April, 1996.

NEOPROBE-PEPTOR JV L.L.C. PEPTOR LIMITED

/s/ David C. Bupp /s/ Yoram Karmon

- ---------- ----------

David C. Bupp, Member Representative Yoram Karmon, President

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

Exhibit 10.3.43

SUPPLY AGREEMENT

This Agreement is made effective as of April 1, 1996 ("Effective Date"), by and between Neoprobe-Peptor JV L.L.C., a limited liability company of the State of Delaware, U.S.A. ("JV"), and Neoprobe (Israel) Ltd., an Israeli limited liability company ("Neoprobe Israel").

RECITALS:

WHEREAS, Peptor, and Neoprobe Corporation, a Delaware, U.S.A. corporation ("Neoprobe") have agreed to the formation of JV between Neoprobe and Peptor Corp, a corporation of the State of Delaware, by the concurrent entry into a Limited Liability Company Agreement between Neoprobe and Peptor Corp.;

WHEREAS, Neoprobe Israel has developed or obtained technology enabling it to radiolabel proteins of interest to JV;

WHEREAS, Neoprobe Israel is willing to become its exclusive radiolabeller of proteins for JV; and

WHEREAS, JV is willing to have Neoprobe Israel be its exclusive radiolabeller of proteins;

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, JV and Neoprobe Israel agree as follows:

AGREEMENT:

ARTICLE I. - SUPPLY

1.1 (a) During the Term of this Agreement, Neoprobe Israel agrees to radiolabel Peptor Proprietary Proteins as defined in the Limited Liability Company Agreement ("PRODUCT") according to Specifications And Test Methods set forth in Exhibit A hereto (hereinafter "SPECIFICATIONS"). During the Term of this Agreement or any extensions thereof, Neoprobe Israel shall use reasonable best efforts to meet JV's PRODUCT order and delivery requirements, as advised from JV from time to time.

(b) During the Term of this Agreement, JV agrees that Neoprobe Israel will be its exclusive radiolabeller of PRODUCT;

(c) JV and Neoprobe Israel agree that Neoprobe Israel, if it so determines, may on a contract basis, radiolabel proteins for itself or for companies other than JV.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

Notwithstanding the foregoing, Neoprobe Israel, in allocating its production capacity, shall give priority to the supply requirements of JV.

(d) The commercial price per vial of the PRODUCT during the Term hereof shall be *. Neoprobe Israel agrees that the vials of PRODUCT shall meet the requirements set out in the SPECIFICATIONS.

(e) "Commercial Sale" for present purposes means the earlier of the sale of the PRODUCT in the United States has received approval by the United States Food and PRODUCT Administration ("FDA"), or has received approval by the appropriate regulatory agency in at least two (2) of the following four (4) countries: United Kingdom, France, Germany, and Italy ("European Authorities").

1.2 (a) Upon written notice by JV to Neoprobe Israel, Neoprobe Israel shall at the expense of JV submit an ELA and updated PRODUCT Master File ("DMF") to the FDA, if required, in

sufficient detail describing the manufacturing of the PRODUCT and Neoprobe Israel's facilities as may be required for the "Manufacturing Section" of JV's IND. JV shall advise Neoprobe Israel, at Neoprobe Israel's request, in matters pertaining to the content and requirements of the DMF and ELA. Neoprobe Israel also agrees to supply a copy of sections of their DMF directly relating to the PRODUCT or any portion thereof to JV upon JV's request. Neoprobe Israel shall give JV the right to reference such DMF.

(b) JV shall at its own expense submit and file for corresponding approval to market the PRODUCT in countries in the TERRITORY. Neoprobe Israel agrees to supply copies of all papers relating to this task to JV. Neoprobe Israel shall cooperate with JV in this task.

1.3 Neoprobe Israel warrants that the PRODUCT:

(i) shall meet the SPECIFICATIONS which include the obligation of Neoprobe Israel to comply with all applicable Good Laboratory Practices ("GLP's"), Good Manufacturing Practices ("cGMP's") and other such applicable regulations of the FDA and European Authorities;

* Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested Confidential Treatment of this information.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

(ii) shall be packaged and shipped to JV or its designee for distribution and sale in a manner consistent with the SPECIFICATIONS; and

(iii) shall otherwise comply with the requirements of the FDA and European Authorities for commercial sale of the PRODUCT.

Neoprobe Israel further warrants that it shall convey good title to all quantities of PRODUCT supplied hereunder.

1.4 Neoprobe Israel shall test each batch of PRODUCT prior to shipment and shall retain records (for the period of time required by cGMP regulations) pertaining to each such test. The tests and analyses to be conducted shall be specified in Exhibit A hereto and may be changed by mutual written consent of the parties.

1.5 JV shall have the right, at reasonable times and with reasonable prior notice, to inspect Neoprobe Israel's production facilities to confirm Neoprobe Israel's compliance with cGMP's and the SPECIFICATIONS, and to review the records under this Article, and other testing standards. In the event that JV observes a condition which causes it to believe that the PRODUCT is not being manufactured in accordance with cGMP's, the SPECIFICATIONS, or other testing standards, Neoprobe Israel and JV shall immediately meet to discuss the concerns and any additions or modifications to bring the facilities and production procedures into compliance. The parties agree to use their reasonable efforts to modify facilities and/or production procedures to bring the manufacture of the PRODUCT into full compliance based on the parties' understanding of such regulations. In the event the parties cannot resolve the issue of compliance, a third party expert, acceptable to both parties and bound by confidentiality, shall be employed to resolve the issue and the decision by such third party shall be binding. The cost incurred with respect to said expert shall be borne by JV.

1.6 At JV's request and with reasonable prior notice to Neoprobe Israel, Neoprobe Israel agrees to permit the FDA to inspect Neoprobe Israel's production facilities.

1.7 Neoprobe Israel shall submit, at its expense and with the consent and cooperation of JV as set forth in this Article, an Establishment License Application ("ELA"), if required, to manufacture the PRODUCT commercially. JV shall promptly advise Neoprobe Israel, at Neoprobe Israel's request, in matters pertaining to U.S. regulatory requirements relating to the manufacture of the PRODUCT.

Omitted Portions of this Exhibit are Subject to a Request for Confidential

1.8 Should JV request Neoprobe Israel to provide proof of manufacture of the PRODUCT to a regulatory authority, Neoprobe Israel agrees to cooperate and supply information in response to such request. JV agrees to reimburse any out of pocket expenses to Neoprobe Israel for their effort.

1.9 With respect to supply of the PRODUCT for use in a European country, the provisions of this Article I shall be construed to encompass the various equivalent (or most nearly equivalent) regulatory agencies and regulations applicable. The parties agree to negotiate in good faith any modifications to the provisions hereof occasioned by virtue of the supply of the PRODUCT to a European country.

1.10 JV hereby grants to Neoprobe Israel during the Term hereof a non-exclusive irrevocable and unconditional option to supply additional products upon terms and conditions to be mutually agreed upon by the parties hereto acting in good faith.

ARTICLE II - PAYMENTS

JV agrees to pay all invoices submitted by Neoprobe Israel hereunder within thirty (30) days thereof.

ARTICLE III - CONFIDENTIALITY

3.1 Both parties to this Agreement agree to maintain any information received from the other party under this Agreement ("INFORMATION") in confidence and not disclose the INFORMATION to any person or entity that is not a party to this Agreement.

3.2 INFORMATION exchanged under this Agreement may be in any form such as written or oral. Upon termination of the Agreement, if requested by the disclosing party, the receiving party will return any INFORMATION received in tangible form together with any copies receiving party may have made.

3.3 The foregoing obligations shall not apply to INFORMATION which Neoprobe Israel or JV can demonstrate falls within one of the following exceptions.

(a) is, or without the fault of the receiving party becomes, available to the public; or

(b) was known to the receiving party prior to receipt from the disclosing party; or

(c) was received without restriction from a third party having the right to make such disclosure.

If JV or Neoprobe Israel breach their confidentiality obligations and the INFORMATION thereby becomes available to the public, the non-breaching party (either JV or Neoprobe Israel) is not thereby released from their confidentiality obligations under this Agreement.

3.4 INFORMATION disclosed to a receiving party in Article 3.1 which is specific shall not be deemed to be within any of the above exceptions merely because it is embraced by more general information coming within one of the exceptions. Any combination of features disclosed to a Receiving Party shall not be deemed to be within any exception merely because individual features thereof fall within one of the exceptions.

3.5 A receiving party shall notify the disclosing party promptly in writing, after receipt thereof, with supporting evidence when any INFORMATION received is considered by a receiving party to fall within any of the exceptions of Article 3.3.

3.6 The confidentiality provisions of the Agreement will remain in effect for five (5) years from the expiration or termination of this Agreement.

ARTICLE IV - TERM

The Term of this Agreement shall extend for thirty-six (36) months after Commercial Sales begin. Thereafter, the Term shall automatically be renewed for like periods of thirty-six (36) months unless JV notifies the Neoprobe Israel within one (1) year from the end of each thirty-six (36) month term that the Agreement is to be terminated.

ARTICLE V - TERMINATION

5.1 Should JV terminate this Agreement for whatever reason, Neoprobe Israel shall be entitled to retain all the payments made to Neoprobe Israel by JV.

5.2 In any event, any termination of this Agreement shall not relieve JV or Neoprobe Israel of their respective obligations of confidentiality under Article III.

ARTICLE VI - FORCE MAJEURE

6.1 Neither party shall be responsible in any way to the other party for failure to perform any of its obligations under this Agreement when such failure is due to any war, fire, flood, labor trouble, strike, natural calamity, accident, riot, act of governmental authority, inability or economic impracticality to comply with requirements imposed by

environmental regulations or orders, Acts of God, or other similar contingencies beyond the reasonable control of either party.

6.2 Neoprobe Israel shall not be held liable to JV for default or delay in the manufacture or delivery of the PRODUCT due to an act of God, accident, fire, flood, storm, riot, sabotage, explosion, strike, labor disturbance, national defense requirements, governmental law, ordinance rule or regulation, whether valid or invalid, inability to obtain electricity or other types of energy, raw materials, labor, equipment or transportation, or any similar contingency beyond its reasonable control whether the contingency is of the same class as those enumerated above, it being expressly agreed that such enumeration shall be non-exclusive (each contingency is referred to in this Agreement as an ("event of force majeure"). Neoprobe Israel shall give JV immediate notice of any occurrence of any such contingency.

ARTICLE VII - EXPORT CONTROL

7.1 Neoprobe Israel and JV also agree not to disclose any INFORMATION, except that which becomes generally known to the public under the exceptions to confidentiality given in Article IV, or to re-export, either directly or indirectly, any technical data relating to commodities incorporating INFORMATION or any direct product of the technical data (the PRODUCT) to Albania, Bulgaria, Cambodia, Cuba, Czech Republic (former Czechoslovakia), Estonia, Haiti, Iran, Iraq, Laos, Latvia, Lithuania, Libya, Mongolian People's Republic, North Korea, People's Republic of China, Poland, Slovak Republic (former Czechoslovakia), South African military and police, Romania, Syria, former republics and geographic regions of the Union of Soviet Socialist Republics, Vietnam, Yugoslavia (Serbia and Montenegro) or any other country that may in the future be covered by the United States Export Administration Act of 1979 as amended and the Trading With the Enemy Act and the regulations of the U.S. Departments of Commerce, Defense, State, Energy and Treasury pursuant thereto. Neoprobe Israel and JV also agree that they will not re-export, either directly or indirectly, such INFORMATION, technical data or direct products (the PRODUCT) to any country other than those listed in the preceding sentence without first obtaining a written letter of assurance equivalent in scope to this paragraph or the appropriate license from the U.S. government.

7.2 With regard to the preceding paragraph, JV shall provide Neoprobe Israel with notice of any additions or deletions to the above countries listed and which change would impact this Agreement, with the notice to be sent as specified in Article XI.

7.3 Neoprobe Israel agrees to use reasonable efforts to comply with this Article and agrees to indemnify JV for any intentional breach incurred by Neoprobe Israel's shipment of the PRODUCT, or technical data relating to commodities incorporating INFORMATION, in contravention of this Article.

7.4 This Article shall survive any termination of the Agreement.

ARTICLE VIII - CHOICE OF LAW

8.1 The provisions of this Agreement shall be governed and construed under the laws of the State of Ohio.

8.2 If any provision of this Agreement shall be found or held to be invalid or unenforceable, the meaning of such provision shall be construed, to the extent feasible, so as to render the provision enforceable, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect unless the severed provision is essential and material to the rights or benefits received by any party hereto. In such event, the parties shall use their best efforts to negotiate, in good faith, a substitute, valid, and enforceable provision or agreement which most nearly effectuates the parties' intent into entering into this Agreement.

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment under Rule 24b-2.

ARTICLE IX - INDEMNITIES

9.1 JV shall indemnify Neoprobe Israel for and save Neoprobe Israel harmless from all losses, costs or damage (including reasonable attorney fees and expenses) suffered or incurred by Neoprobe Israel in respect of damage to or destruction of property, personal injury or death which may be caused by or arise from, either wholly or in part, from JV's negligence or that of its directors, officers, or employees, agents, or representatives or those third parties to whom JV directs Neoprobe Israel to ship the product.

9.2 Neoprobe Israel shall indemnify JV for and save JV harmless from all losses, costs or damage (including reasonable attorney fees and expenses) suffered or incurred by JV in respect of damage to or destruction of property, personal injury or death which may be caused by or arise from Neoprobe Israel's negligence or that of its directors, officers, or employees, agents or representatives.

9.3 This Article shall survive any termination of this Agreement.

ARTICLE X - WAIVER

10.1 No failure on the part of any party to exercise and no delay in exercising any right, power, remedy, or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, including without limitation, the right or power to terminate this Agreement, shall impair, prejudice, or constitute a waiver of any such right, power, remedy, or privilege, or be construed as a waiver of any breach of this Agreement or as an acquiescence therein, nor shall any single or partial exercise of any such right, power, remedy, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, remedy, or privilege.

10.2 No amendment, modification, waiver, termination or discharge of any provision of this Agreement, nor consent to any departure by any party therefrom, shall in any event be effective unless the same shall be in writing specifically identifying this Agreement and the provision intended to be amended, modified, waived, terminated, or discharged and any such amendment, modification, waiver, termination or discharge shall be effective only in the specific instance and for the specific purpose for which given. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an

agreement in writing and signed by both parties hereto.

ARTICLE XI - NOTICE

All notices, requests, and other communications to JV or Neoprobe Israel hereunder shall be in writing (including telecopy or similar electronic transmissions), shall refer specifically to this Agreement and shall be personally delivered or sent by telecopy or other electronic facsimile transmission or by registered mail, or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below (or such other address as may be specified in writing to the other party hereto) or in the case of a telecopy or other electronic transmission, to such party by means confirmed in writing or by agreement:

If to JV: with a copy to:

Neoprobe-Peptor JV L.L.C.	Peptor Limited
Attention: David C. Bupp	Attention: Yoram Karmon
425 Metro Place North	Kiryat Weizmann
Suite 400	Rehovot 76326
Dublin, OH 43017-1367	ISRAEL
tel.: 614-793-7500	tel.:
fax: 614-793-7522	fax:

If to Neoprobe Israel: with a copy to:

Neoprobe (Israel) Ltd.	J.K. Mueller, Jr., Esq.
Attention: David C. Bupp	MUELLER AND SMITH, L.P.A.
425 Metro Place North	MUELLER-SMITH BUILDING
Suite 400	7700 Rivers Edge Drive
Dublin, OH 43017-1367	Columbus, Ohio 43235
tel.: 614-793-7500	tel.: 614-436-0600
fax: 614-793-7522	fax: 614-436-0057

Any notice or communication given in conformity with this Article XI shall be deemed to be effective when received by the addressee, if delivered by hand, telecopy or other electronic transmission, and seven (7) days after mailing, if mailed.

ARTICLE XII - HEADINGS

The headings used in this Agreement are inserted for reference and shall not be deemed as part of the text.

ARTICLE XIII - UNDERSTANDING

13.1 This Agreement represents the entire understanding of the parties with respect to the subject matter hereof. All agreements, covenants, representations, warranties and indemnities set forth in this Agreement shall survive the execution and delivery of this Agreement.

13.2 Each party hereto agrees to duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including, without limitation, the filing of such additional assignments, agreements, documents, and instruments, that may be necessary or as any other party hereto may at any time and from time to time reasonably request in connection with this Agreement or to carry out more effectually the provisions and purposes of, or to better assure and confirm unto such other party its rights and remedies under, this Agreement.

13.3 The relationship between JV and Neoprobe Israel under this Agreement is that of buyer and seller, and nothing contained in this Agreement shall constitute Neoprobe Israel the agent or representative of JV for any purpose whatsoever. In particular, but without derogating from the generality of the foregoing, Neoprobe Israel shall have no right to assume or create any obligation, contract or commitment, expressed or

implied, or make any representation, on behalf, or in the name, of JV, and Neoprobe Israel shall indemnify JV and hold JV harmless against and from any liability arising from any such act by Neoprobe Israel.

13.4 This Agreement constitutes, on and as of the date hereof, the entire agreement of the parties with respect to the subject matter hereof, and all prior or contemporaneous understanding or agreements, whether written or oral, between the parties with respect to such subject matter are hereby superseded in their entireties.

13.5 This Agreement may be executed in any number of counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

13.6 If any controversy or claim arising out of this Agreement cannot be settled by the parties, the controversy or claim shall be settled by arbitration conducted by a single arbitrator, mutually elected by the parties (or if the parties fail to elect such arbitrator within two (2) weeks from the date a party hereto notifies the other parties in writing that it wishes to commence arbitration proceedings, an arbitrator elected by the American Arbitration

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Association, in the city of New York, N.Y., and judgment on the award may be entered in any court having jurisdiction.

ARTICLE XIV - ASSIGNMENT

The terms and provisions of this Agreement shall inure to the benefit of, and be binding upon, JV, Neoprobe Israel, and their respective successors and authorized assigns; provided, however, that, except as provided herein, no party may assign or otherwise transfer any of its rights and interests, nor delegate any of its respective obligations, hereunder, including, without limitation, pursuant to a merger or consolidation, without the prior written consent of the other party hereto. Any attempt to assign or delegate any portion of this Agreement in violation of this Article XIV shall be null and void. Subject to the foregoing, any reference to JV or Neoprobe Israel hereunder shall be deemed to include the successors thereto and assigns thereof.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed by its duly authorized representatives on the 1st day of April, 1996.

NEOPROBE-PEPTOR JV L.L.C. NEOPROBE (ISRAEL) LTD.

s/Yoram Karmon s/David C. Bupp
- ---------- ----------
Yoram Karmon, Member Representative David C. Bupp, President

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

Exhibit 10.3.44

TECHNOLOGY OPTION AGREEMENT

This Agreement is made and entered into as of this 14th day of March, 1996, by and between Cira Technologies, Inc., a Delaware corporation having a principal place of business at Columbus, Ohio (hereinafter referred to as "Cira" or "Licensor"), and Neoprobe Corporation, a Delaware Corporation having a principal place of business at Dublin, Ohio (hereinafter referred to as "Neoprobe" or "Licensee").

RECITALS:

WHEREAS, Cira desires to grant an option to Neoprobe to exclusively license Cira's cell processing technology, including, the data, discoveries, inventions, and other new technology developed by Cira for the treatment of * infected human patients involving the mitogenic stimulation of cytokine-secreting cells derived from lymph nodes excised from infected human patients for preparation of a therapeutic agent which then is administered to the infected human patients, and data, know-how, processes, and procedures connected therewith (hereinafter, "Primary Technology");

WHEREAS, Cira further desires to grant an option to Neoprobe to exclusively license Cira's cell processing technology, including, the data, discoveries, inventions, and other new technology developed by Cira for the treatment of chronic infectious and/or autoimmune disease in humans involving the mitogenic stimulation of cytokine-secreting cells derived from lymph nodes excised from chronically-infected and/or autoimmune disease afflicted human patients (excluding Primary Technology) for preparation of a therapeutic agent which then is administered to the infected human patients, and data, know-how, processes, and procedures connected therewith (hereinafter "Secondary Technology"); and

WHEREAS, Neoprobe desires to accept said grants of options to license from Cira the Primary Technology and Secondary Technology on an exclusive basis to enable Neoprobe to develop and market products involving employment of the Primary Technology and Secondary Technology.

NOW, THEREFORE, the parties hereto, in consideration of the promises, terms and conditions set forth herein, mutually agree as follows:

ARTICLE I - CLINICAL STUDY

1.1 Clinical Study - Neoprobe agrees to and will provide financial, clinical, and technical support to Cira for Cira to conduct a Phase I clinical study of the Primary Technology. Such Phase I clinical study will not exceed forty (40) patients and Neoprobe's financial commitment for such Phase I clinical study will not exceed Five Hundred Thousand

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(*) Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested confidential treatment of this information.

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

Dollars ($500,000). Such Phase I clinical study will commence within one hundred twenty (120) days after the effective date of this Agreement. Such Phase I clinical study will be conducted under a physician's IND sponsored by Cira. Such Phase I clinical study will be completed within twenty-one (21) years from its commencement.

1.2 Supervision - Neoprobe and Cira will design and manage the Phase I clinical study to be conducted at The Ohio State University and at other institutions mutually agreed to by the parties. Cira will analyze the clinical data derived from the Phase I clinical study and provide

copies of all clinical information and data summaries to Neoprobe. Cira will provide Neoprobe with interim clinical information upon treatment of each ten (10) patient cohort using the Primary Technology. Neoprobe has the right to terminate this Agreement and its financial obligation to fund the Phase I clinical study if Neoprobe, in its sole discretion, is dissatisfied with interim clinical results from the Phase I clinical study.

ARTICLE II - GRANTS

2.1 Grant of Option

(a) - Cira hereby grants to Neoprobe an exclusive option to an exclusive, world-wide license, with the right to grant sublicenses with the prior written reasonable consent of Cira, to make, have made, sell, have sold, and use the Primary Technology for research and commercial purposes, and to sublicense others to do so, subject to (i) a reservation of rights for Cira to use the Primary Technology in its own research activities; and (ii) the other terms and conditions of this Agreement.

(b) - Subject to Neoprobe's exercise of the option granted it under Article 2.1 (a), Cira hereby grants to Neoprobe an exclusive option to an exclusive, world-wide license, with the right to grant sublicenses with the prior written reasonable consent of Cira, to make, have made, sell, have sold, and use the Secondary Technology for research and commercial purposes, and to sublicense others to do so, subject to (i) a reservation of rights for Cira to use the Secondary Technology in its own research activities; and (ii) the other terms and conditions of this Agreement.

(c) - For purposes of this Agreement, Primary Technology and Secondary Technology include all technology owned, acquired, licensed, or which Cira otherwise has rights to, including subsequent inventions, if any, made by Cira to the Primary Technology or to the Secondary Technology. The parties expressly agree, however, that Primary Technology and Secondary Technology apply to humans only and exclude veterinary uses.

2.2 Patents

(a) - Cira shall, at Cira's expense, prosecute and maintain patent applications and patents covering the Primary Technology for the United States. Neoprobe shall, at Neoprobe's expense, but in the name of Cira, prosecute and maintain patent applications and patents covering the Primary Technology outside of the United States.

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(b) - Cira also shall, at Cira's expense, prosecute and maintain patent applications and patents covering the Secondary Technology for the United States, if Cira determines that patentable subject matter is present in its Secondary Technology. Neoprobe shall, at Neoprobe's expense, but in the name of Cira, prosecute and maintain patent applications and patents covering the Secondary Technology outside of the United States.

2.3 Warranties - Cira hereby warrants that it is an owner of the right, title, and interest in and to the Primary Technology and the Secondary Technology, and that it has the right to grant the above exclusive option to license, under patent rights as provided herein. HOWEVER, CIRA EXCLUDES ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE AND FREEDOM FROM INFRINGEMENT OF RIGHTS OF OTHERS, AS TO THE PRIMARY TECHNOLOGY AND THE SECONDARY TECHNOLOGY OR ANY PRODUCT OR ANY SERVICE DERIVED THEREFROM. Cira agrees to hold Neoprobe harmless and defend it against all claims and suits relating to the warranty given to Neoprobe under this subparagraph.

2.4 Acceptance of Option and License

(a) - Neoprobe accepts the above exclusive option to license under Article 2.1 (a) in accordance with the terms and conditions set forth herein. The form of License Agreement therefor is attached hereto with

royalty rate blank to be mutually agreed upon between the parties.

(b) - Neoprobe accepts the above exclusive option to license under Article 2.1 (b) in accordance with the terms and conditions set forth herein. The license agreement between the parties shall be in form and substance (with royalty rate and performance minimums to be negotiated) like that between the parties with respect to the Primary Technology.

ARTICLE III - TIME

3.1 Time to Exercise Option
(a)- The exclusive option granted by Cira to Neoprobe under Article 2.1 (a) shall expire one hundred twenty (120) days following the closing of the Phase I clinical study conducted under Article I. Neoprobe may exercise its exclusive option granted it under Article 2.1 (a) at any time prior to the expiration of the exclusive option pursuant to the terms of this Article 3.1.

(b) - The exclusive option granted by Cira to Neoprobe under Article 2.1 (b) shall expire upon initiation of a Phase III clinical study of treatment of human patients using Primary Technology, or three (3) years after execution of the license agreement for the Primary Technology. Neoprobe may exercise its exclusive option granted it under Article 2.1 (b) at any time prior to the expiration of the exclusive option pursuant to the terms of this Article 3.1, provided that it first has exercised its option under Article 2.1 (a)

3.2 Manner of Exercise - Neoprobe shall exercise one or both of the exclusive options granted it hereunder and indicate its acceptance of an exclusive license to the Technology by

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giving notice to Cira pursuant to Article 5.4 of this Agreement. If Neoprobe does not exercise the exclusive option granted it hereunder, this Agreement will expire and Cira will be free to exploit the Primary Technology and the Secondary Technology in any manner that it chooses.

ARTICLE IV - FORCE MAJEURE

4.1 No party shall incur any liability, consequential or otherwise, for any delay in performance or failure to perform its obligations under this Agreement, due to acts of God or public enemies, acts of other parties, requests or regulations of civil or military authority, labor disputes, accidents at the factory, lockouts, fire, riots, war or other outbreaks or hostilities, embargoes, inability to obtain shipping or raw material, delays of carriers or suppliers, machinery breakdowns, epidemics, floods, unusually severe weather, shortage of power or fuel, or any causes whatsoever beyond the reasonable control of the party in question.

ARTICLE V - MISCELLANEOUS

5.1 Non-Waiver - The waiver by either party of a breach of any provision of this Agreement shall not be deemed to effect or imply a waiver of any other breach of such provision or a waiver of the provision itself.

5.2 Governing Law - This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

5.3 Assignment - This Agreement shall be assignable by Neoprobe only to an entity created by Neoprobe to fund research and development of the Technology provided that Neoprobe retains an option from such entity to commercialize the Technology; provided further that Cira shall have the right to approve of such assignment by Neoprobe, which approval shall not be unreasonably withheld.

5.4 Notices - Any notice, request or payment which may or must be given under this Agreement shall be in writing and sent to the other party at

its address indicated below or to such other address as the addressee shall have theretofore furnished in writing to the addressor.

IF TO CIRA TECHNOLOGIES, INC.: WITH A COPY TO:

CIRA TECHNOLOGIES, INC.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, OH 43235-1355

J.K. Mueller, Jr.
MUELLER AND SMITH, L.P.A.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, OH 43235-1355

IF TO NEOPROBE CORPORATION: WITH A COPY TO:

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

David C. Bupp, President
NEOPROBE CORPORATION
425 Metro Place North, Suite 400
Dublin, Ohio 43017

Robert S. Schwartz., Esq.
SCHWARTZ, WARREN & RAMIREZ
41 South High Street
Columbus, Ohio 43215

5.5 Entire Agreement - The terms and provisions contained in this Agreement constitute the entire Agreement between the parties and shall supersede all previous communications, representations, agreements or understandings, either oral or written, between the parties hereto with respect to the subject matter hereof, and no agreement or understanding varying or extending this Agreement will be binding upon either party hereto, unless in writing which specifically refers to this Agreement, signed by duly authorized officers or representatives of the respective parties, and the provisions of this Agreement not specifically amended thereby shall remain in full force and effect according to their terms.

5.6 Severability - The invalidity or illegality of any term, clause or provision of this Agreement shall not invalidate or lessen the effect of any other term, clause or provision of this Agreement or of this Agreement itself, unless a party would thereby be substantially deprived of its benefit from the Agreement, in which event the parties will attempt in good faith to revise the Agreement on a fair and equitable basis, but if such attempt fails, then the Agreement may be terminated by either party upon thirty (30) days' written notice to the other.

5.8 Confidence - Cira and Neoprobe each agree to maintain the terms of this Agreement in confidence, unless this Agreement permits its disclosure or a governmental regulation or law requires its disclosure; however, each party may disclose the existence of this Agreement. Notice of any disclosure made by any party to a non-party shall promptly be given to the other parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their respective duly authorized officers on the date first above written.

NEOPROBE CORPORATION CIRA TECHNOLOGIES, INC.

By: s/David C. Bupp By: s/ Richard G. Olsen
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Typed Name: David C. Bupp Typed Name: Richard G. Olsen

Title: President Title: President Title: President

Date: March 14, 1996 Date: May 21, 1996

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

LICENSE AGREEMENT

This Agreement is made and entered into as of this ___ day of ____, 199__, by and between Cira Technologies, Inc., a Delaware corporation having a principal place of business at Columbus, Ohio (hereinafter referred to as "Cira" or "Licensor"), and Neoprobe Corporation, a Delaware Corporation having a principal place of business at Dublin, Ohio (hereinafter referred to as "Neoprobe" or "Licensee").

RECITALS:

WHEREAS, in a Technology Option Agreement Cira granted an option to Neoprobe to exclusively license Cira's cell processing technology, including, the data, discoveries, inventions, and other new technology developed by Cira for the treatment of * infected human patients involving the mitogenic stimulation of cytokine-secreting cells derived from lymph nodes excised from infected human patients for preparation of a therapeutic agent which then is administered to the infected human patients, and data, know-how, processes, and procedures connected therewith (hereinafter, "Primary Technology");

WHEREAS, the Primary Technology was developed by Drs. Olsen and Ridihalgh under the auspices of Cira, and is described in U.S. Pat. Application Serial No. 08/604,728 filed Feburary 21, 1996 (the "Patent Application");and

WHEREAS, this License Agreement is an attachment to and a part of said Technology Option Agreement;

NOW, THEREFORE, the parties hereto, in consideration of the promises, terms and conditions set forth herein, mutually agree as follows:

AGREEMENT:

ARTICLE I - DEFINITIONS

The following terms shall have the meanings set forth below:

1.1 "Primary Technology", is defined in the first recital above.

1.2 "Field" shall mean use of the Primary Technology to treat infected human patients, such as disclosed in the Patent Application.

1.3 "Licensed Service" shall mean a cell processing method based on the Primary Technology wherein lymph nodes excised from infected human patients are mitogenically stimulated for preparation of a therapeutic agent.

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(*) Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested Confidential Treatment of this information.

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1.4 "Licensed Product(s)" shall mean a therapeutic preparation manufactured in accordance with the Licensed Service having an approved label indication by the U.S. Food and Drug Administration for use in treating infected human patients.

1.5 "Net Product Sales" shall mean the gross amounts received for sale or lease of Licensed Products or Licensed Service, excluding any insurance, tax, duty and transportation costs separately invoiced to customers, and less any broker's commissions actually paid and any trade, cash and quantity discounts, returns, allowances and adjustments actually granted to customers out of such gross amounts. However, Net Product Sales shall not include sales of units of Licensed Products for which there is reasonable assurance that such units will not be used in the performance of the Primary Technology, the burden being on Neoprobe to establish that such assurance existed with regard to any particular units of Licensed Products, but there will be a rebuttable presumption of assurance that any unit of Licensed Product will not be used by a recipient for any purpose that is unlawful under any applicable health or safety law or regulation in view of its labeling.

1.6 "Affiliate" shall mean a person, whether an individual or a legal entity, that controls, is controlled by or is under common control with the antecedent person, where control of a legal entity means the ability to elect at least one-half of the directors of such entity.

ARTICLE II - LICENSE GRANT, WARRANTY, ACCEPTANCE AND PERFORMANCE

2.1 Grant of License by Cira

2.1.1 - Cira hereby grants to Neoprobe an exclusive, world-wide license, with the right to grant sublicenses, to make, have made, sell, have sold, and use the Primary Technology in the Field for research and commercial purposes, and to sublicense others to do so, subject to (i) a reservation of rights for Cira to use the PrimaryTechnology in the Field in its own research activities; and (ii) the other terms and conditions of this Agreement.

2.1.2 - Subsequent inventions, if any, made by Cira to the Primary Technology in the Field shall automatically be added to this Agreement.

2.1.3 - Any invention in the Field made by Neoprobe based on the Primary Technology also shall be automatically added to this Agreement and a royalty paid on Licensed Products and Licensed Services thereunder; provided, however, that only one license fee is due for any Licensed Product or Licensed Service hereunder.

2.2 Warranties - Cira hereby warrants that it is an owner of the right, title, and interest in and to the Primary Technology, and that it has the right to grant the above exclusive license, under patent rights as provided herein. HOWEVER, CIRA EXCLUDES ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE AND FREEDOM FROM INFRINGEMENT OF RIGHTS OF OTHERS, AS TO THE PRIMARY TECHNOLOGY OR ANY LICENSED PRODUCT OR ANY LICENSED SERVICE. Cira agrees to hold Neoprobe harmless and defend it

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against all claims and suits relating to the warranty given to Neoprobe under this subparagraph.

2.3 Acceptance of License - Neoprobe accepts the above license, and will diligently exert its good faith efforts to develop and promote the most extensive provision of sales of Licensed Products and Licensed Services under the license that is both commercially practicable and compatible with good practice in the pharmaceutical industry.

2.4 Forbearance to file Suit - Cira agrees that it will not file suit against Neoprobe, its affiliates, or sublicensees for activities within the scope of such entities license or sublicense under this Agreement based on any of Cira's pre-existing patents or patent applications that may dominate the Primary Technology, so long as this Agreement and such license or sublicense remains in effect.

ARTICLE III - ROYALTIES, REPORTS, AND RECORDS

3.1 Royalties

3.11 - Subject to the provisions of Article 6.1 below, Neoprobe shall pay Cira a royalty (between 3% and 10%) of ___ percent (__%) of Net Product Sales of Neoprobe and its Affiliates to non-Affiliates for resale and not for use by or on behalf of the purchaser. Royalty payments shall be made calendar quarterly by Neoprobe to Cira.

3.1.2 - Subject to the provisions of Article 6.1 below, the parties hereto agree to split equally all royalties and license fees collected by Neoprobe for sublicenses that it grants hereunder; provided, that Neoprobe first shall collect two dollars for each dollar that is spends on clinical research pursuant to the Option Agreement.

3.2 Minimum Performance by Neoprobe - [To be agreed upon by the parties.]

3.3 Reports - A report shall accompany each royalty payment from Neoprobe to Cira for each calendar quarter showing the basis upon which the amount of royalties owed was determined. The first such report, and payment, shall be made within ninety (90) days after the first commercial sale of Licensed Product or Licensed Service.

3.4 Records - Neoprobe shall keep accurate records in sufficient detail to enable the royalties accrued and payable under this Agreement to be determined. Such records shall be retained for at least three (3) years after the report required pursuant to Article 3.2 above, for the period to which such records pertain, has been submitted to Cira, or for such longer time as may be required to finally resolve any question or discrepancy raised by Cira. Upon the request, with reasonable notice, of Cira, but not more frequently than once a calendar year, Neoprobe shall permit an independent public accountant selected and paid by Cira and reasonably acceptable to Neoprobe to have access during regular business hours to such records as may be necessary to verify the accuracy of royalty payments made or payable hereunder. Said accountant shall disclose information so

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acquired to Cira only to the extent that it should properly have been contained in the royalty reports required under this Agreement or constitutes evidence of fraud upon Cira.

ARTICLE IV-PATENTS, COSTS, AND ENFORCEMENT

4.1 Patents - Cira shall, at Cira's expense, prosecute and maintain patent applications and patents covering the Primary Technology for the United States. Neoprobe shall, at Neoprobe's expense, but in the name of Cira, prosecute and maintain patent applications and patents covering the Primary Technology outside of the United States.

4.2 Patent Expenses - If Neoprobe decides at any time not to undertake or continue incurring patenting expenses for any particular patent(s) or application(s) covering the Primary Technology in or for any jurisdiction, it shall notify Cira in writing ninety (90) days before such patent(s) or patent application(s) will lapse or become abandoned or reasonably timely before the time for filing such application(s) will expire. In such event, Cira shall have the right to assume filing, prosecution, and maintenance of such application(s) or patent(s) at its own expense and to terminate Neoprobe's license with respect thereto.

4.3 Patent Enforcement - Neoprobe shall have the right, but not the obligation, to initiate and bring suit against any infringer of any patents and/or patent applications licensed to it hereunder, insofar as such patents and/or applications cover the Primary Technology. Cira will, upon request of Neoprobe and at Neoprobe's expense, provide reasonable assistance in any such suit. If any such suit is brought by Neoprobe against an infringer, Neoprobe shall be relieved of its obligation to pay royalties under Article 3.1.1 to Cira to the extent of fifty percent (50%) of such royalties otherwise first becoming payable to Cira during such prosecution. The withheld portion of royalties shall be placed by Neoprobe into an escrow account which may be used for the sole purpose of reimbursing Neoprobe for not more than one-half (1/2) of out-of-pocket costs which it incurs in prosecuting such suit. At the termination of such suit, Neoprobe shall pay to Cira all royalties so withheld except for any portion thereof that is not greater than one-half (1/2) of Neoprobe's actual and reasonable litigation costs not recovered from the infringer. Furthermore, the amount of any recovery, whether by settlement or judgment and including the fair value of any payment, thing, right or forbearance received by or on behalf of Neoprobe, in excess of Neoprobe's actual and reasonable litigation costs shall be deemed to be Net Sales of Licensed Product under Article 3.1.1 for the period or periods in which such excess recovery is realized. Each party bears the obligation of informing the

other of any actual or potential infringement of which it becomes aware.

ARTICLE V - FORCE MAJEURE

No party shall incur any liability, consequential or otherwise, for any delay in performance or failure to perform its obligations under this Agreement, due to acts of God or public enemies, acts of other parties, requests or regulations of civil or military authority, labor disputes, accidents at the factory, lockouts, fire, riots, war or other outbreaks or hostilities, embargoes, inability to obtain shipping or raw material, delays of carriers or suppliers, machinery breakdowns, epidemics,

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

floods, unusually severe weather, shortage of power or fuel, or any causes whatsoever beyond the reasonable control of the party in question.

ARTICLE VI - DURATION AND TERMINATION

6.1 Duration - This Agreement shall become effective as of the date first written above and shall expire upon the expiration, cancellation, or final and unappealable determination of invalidity or unenforceability of all patents, and the abandonment of all patent applications, licensed hereunder to Neoprobe by Cira. However, no royalties shall accrue hereunder in respect of sales of Licensed Product or Licensed Service for use, either directly or after resale, in the U.S after the expiration, cancellation or final and unappealable determination of invalidity or unenforceability of all issued U.S. patents licensed hereunder.

6.2 Termination - Either party may terminate this Agreement should the other party fail to comply with or to perform any of their duties or other material obligations under this Agreement when due and should such failure not be remedied within sixty (60) days of written notice of such default having been given to the defaulting party. Any termination pursuant to this Article 6.2 shall be in addition to, and not in place of, other rights or remedies to which a party may be entitled, including without limitation those under Article 4.2 above. Any notices must be given to all other parties in accordance with Article 7.4.

6.3 Existing Rights - The rights of each party against the other which may have accrued up to the date of termination or expiration shall remain unaffected by expiration or termination as provided herein.

ARTICLE VII - MISCELLANEOUS

7.1 Non-Waiver - The waiver by either party of a breach of any provision of this Agreement shall not be deemed to effect or imply a waiver of any other breach of such provision or a waiver of the provision itself.

7.2 Governing Law - This Agreement shall be governed by and construed in accordance with the law of the State of Ohio.

7.3 Assignment - This Agreement shall be assignable by Neoprobe only to an entity created by Neoprobe to fund research and development of the Primary Technology provided that Neoprobe retains an option from such entity to commercialize the Primary Technology; provided that Neoprobe and Cira shall have the right to approve of such assignment by Neoprobe, which approval shall not be unreasonably withheld.

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

7.4 Notices - Any notice, request or payment which may or must be given under this Agreement shall be in writing and sent to the other party at its address indicated below or to such other address as the addressee shall have theretofore furnished in writing to the addressor.

IF TO CIRA TECHNOLOGIES, INC.: WITH A COPY TO:

CIRA TECHNOLOGIES, INC.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, OH 43235-1355

J.K. Mueller, Jr.
MUELLER AND SMITH, L.P.A.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, OH 43235-1355

IF TO NEOPROBE CORPORATION: WITH A COPY TO:

David C. Bupp, President
Neoprobe Corporation
425 Metro Place North
Suite 400
Dublin, Ohio 43017

Robert S. Schwartz., Esq.
SCHWARTZ, WARREN & RAMIREZ
HUNTINGTON CENTER
41 South High Street
Columbus, Ohio 43215

7.5 Entire Agreement - The terms and provisions contained in this Agreement constitute the entire Agreement between the parties and shall supersede all previous communications, representations, agreements or understandings, either oral or written, between the parties hereto with respect to the subject matter hereof, and no agreement or understanding varying or extending this Agreement will be binding upon either party hereto, unless in writing which specifically refers to this Agreement, signed by duly authorized officers or representatives of the respective parties, and the provisions of this Agreement not specifically amended thereby shall remain in full force and effect according to their terms.

7.6 Severability - The invalidity or illegality of any term, clause or provision of this Agreement shall not invalidate or lessen the effect of any other term, clause or provision of this Agreement or of this Agreement itself, unless a party would thereby be substantially deprived of its benefit from the Agreement, in which event the parties will attempt in good faith to revise the Agreement on a fair and equitable basis, but if such attempt fails, then the Agreement may be terminated by either party upon thirty (30) days' written notice to the other.

7.7 Indemnification - Neoprobe agrees to indemnify, hold harmless and defend Cira, its officers, employees, and agents, against any and all claims, suits, losses, damage, costs, fees, and expenses resulting from or arising out of Neoprobe's use of Primary Technology in connection with this license.

Omitted portions of this Exhibit are subject to a Request for Confidential Treatment under Rule 24b-2.

7.8 Confidence - Cira and Neoprobe each agree to maintain the terms of this Agreement in confidence, unless this Agreement permits its disclosure or a governmental regulation or law requires its disclosure; however, each party may disclose the existence of this Agreement. Notice of any disclosure made by any party to a non-party shall promptly be given to the other parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their respective duly authorized officers on the date first above written.

NEOPROBE CORPORATION CIRA TECHNOLOGIES, INC.

NOT FOR SIGNATURE NOT FOR SIGNATURE

By: _____ By: _____

Typed Name: David C. Bupp Typed Name: Richard G. Olsen

Title: President Title: President

Date: ___________________________________Date: ___________________________________

Exhibit 10.3.45

LICENSE

This License ("LICENSE"), made effective as of the date of last signature below ("Effective Date"), is by and between The Dow Chemical Company, a Delaware corporation ("DOW"), and Neoprobe Corporation, a Delaware Corporation ("NEOPROBE").

RECITALS:

WHEREAS, DOW and NEOPROBE have entered into a Technology Transfer Agreement, effective as of July 29,1992, ("TTA") and under the terms of Article 1.3(b) thereof NEOPROBE is entitled to a license of DOW's successor antibodies to ANTIBODIES; and

WHEREAS, NEOPROBE exercised its rights to that license by a request for the license to DOW in a timely manner; and

WHEREAS, NEOPROBE and DOW agree that this LICENSE is in accord with the TTA; and

WHEREAS, NEOPROBE and DOW also have an ADDENDUM to the TTA, effective July 29,1992, an AMENDMENT EXTENSION of the TTA, effective January 1,1995, and a SECOND AMENDMENT to the TTA, effective April 15,1996; and

WHEREAS, NEOPROBE and DOW have a License for the I2 technology under the terms of Articles 2.6 and 3.4(c) of the TTA, effective October 10,1995.

NOW, THEREFORE, in consideration of the above premises under the TTA, and of the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
DEFINITIONS

1.1. All terms in this LICENSE are defined as in the TTA and its ADDENDUM, AMENDMENT EXTENSION and SECOND AMENDMENT, unless specifically otherwise stated herein.

1.2 "TERRITORY" as used herein means the world.

1.3 "SUCCESSOR ANTIBODIES" means antibodies modified from or derived from ANTIBODIES made by either Dr. Jeffrey Schlom and his associates at the Laboratory of Tumor Immunology and Biology, National Cancer Institute, National Institutes of Health and/or DOW under a CRADA, and its amendments, between NIH/NCI and DOW, during the term of that CRADA, and further described as:

(1) monoclonal antibodies COL-1 through 15 which are directed against various restricted epitopes of the 180,000 dalton carcinoembryonic antigen complex; and

(2) some forty (40) monoclonal antibodies directed against the purified TAG-72 antigen and designated CC1 through 92, including CC49; and intended as possible replacements for ANTIBODIES in the FIELD.

1.4 "RADIOLABELLED SUCCESSOR ANTIBODY" as used herein means a SUCCESSOR ANTIBODY labelled with a radionuclide which is suitable for use in the FIELD particularly as described in DOW's and/or NIH's PATENTS and related know-how.

1.5 "PATENTS" as used herein means all patent applications and patents, together with any continuations, divisions, reissues and extensions of the foregoing which claims cover the PRODUCT, use or sale of SUCCESSOR ANTIBODY or PRODUCT in the FIELD in the TERRITORY which are owned, licensed or controlled by DOW on the Effective Date, and are listed in APPENDIX A, attached hereto and made a part hereof. APPENDIX A shall be amended from time to time, at NEOPROBE's request, but no more frequently than once yearly, unless required to provide information to compute the payments due under this LICENSE.

1.6 "PRODUCT" as used herein means a finished, packaged, product suitable for shipment and use in the FIELD, containing a 125I. RADIOLABELLED SUCCESSOR ANTIBODY.

1.7 "NON-RADIOLABELLED PRODUCT" as used herein means a SUCCESSOR ANTIBODY antibody suitable for being radiolabelled with 125I.

ARTICLE II
OBLIGATIONS OF DOW

2.1 Grant of SUCCESSOR ANTIBODY Technology: DOW hereby grants to NEOPROBE, which hereby accepts, an exclusive license in the TERRITORY in the FIELD for use of the SUCCESSOR ANTIBODY technology, including but not limited to PATENTS, for the iodination of SUCCESSOR ANTIBODY to prepare PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODY. NEOPROBE is also granted the RIGHT TO sublicense the PATENTS and related know-how.

2.2 Transfer of DOW SUCCESSOR ANTIBODY Technology: Neoprobe hereby acknowledges that it has received technology pursuant to this LICENSE, under the confidentiality of the TTA and its various amendments, that NEOPROBE has conducted its due diligence of the PATENTS and has no additional issues with regard to PATENTS. DOW shall make available five (5) work days between the Effective Date and December 1, 1996 to answer any questions regarding know-how on SUCCESSOR ANTIBODIES. After December 1, 1996, no further obligation by DOW to NEOPROBE for such transfer shall exist. Samples of SUCCESSOR ANTIBODIES shall be on a basis that they are not available to NEOPROBE via ATCC deposits and that DOW has such samples available.

2.3 DOW to Maintain PATENTS: DOW shall be responsible at its own cost and expense for prosecuting the PATENTS and for maintaining and extending the PATENTS. DOW shall use good faith efforts to prosecute, issue and maintain all patents in APPENDIX A. DOW shall promptly advise NEOPROBE of the grant, lapse, nullification, revocation, surrender, invalidation or abandonment of any of the PATENTS. DOW shall provide NEOPROBE with a copy of issued PATENTS where the text is in English and of all claims as finally granted in English of PATENTS issued in a language other than English.

2.3 Patent Term Extension/Restoration: Although DOW shall be responsible for extension or restoration of PATENTS, NEOPROBE agrees to provide DOW with reasonably requested records, information and assistance to achieve the extension or restoration of any PATENTS.

2.4 Validity, Non-Infringement: DOW DOES NOT WARRANT that the manufacture, use and sale of the PRODUCT does not fall within the scope of third party patents or the industrial property rights of a third party.

2.5 Disclaimer of Warranties as to PATENTS: DOW makes no representation that the inventions covered in any PATENTS are patentable or that the PATENTS are or will be valid or enforceable, nor does DOW warrant or represent that the exercise of the rights licensed hereunder is free of infringement of patent rights of third parties. Should any infringement or damages be alleged, suit brought or damages collected therefor, no damages are permitted to be collected from DOW.

2.6 Infringement: If a claim is brought by a third party that manufacture, use or the sale of PRODUCT in the TERRITORY (regardless of use) infringes a patent of such third party, NEOPROBE will give prompt written notice to DOW of such claim if it concerns a PATENT. DOW shall have the sole discretion and right to seek to dispose of said claim or to conduct the defense of any suit resulting from such claim if outside the FIELD in the TERRITORY. NEOPROBE at its option and expense may participate in any suit resulting from such claim that directly affects its market in the FIELD in the TERRITORY.

2.7 Enforcement:

(a) By DOW - DOW, at its sole discretion, may take action on its own behalf and expense to institute any action or proceeding by reason of infringement of any of the PATENTS. If either Party learns of any infringement of a PATENT, it shall promptly notify the other Party.

DOW shall have the first right, at its own expense, to prosecute all litigation against a third party infringer who may be infringing a PATENT. NEOPROBE shall provide all reasonable cooperation, including any necessary use of its name, required to prosecute such litigation. NEOPROBE shall be consulted concerning the litigation. DOW will bear the costs and shall be entitled to any recovery obtained from such litigation, settlement or compromise thereof.

(b) By NEOPROBE - If DOW does not prosecute such infringer or otherwise abate such infringement (which infringement must be of commercial significance to NEOPROBE in DOW's reasonable business opinion) within ninety (90) days after giving or receiving notification of such infringement in the TERRITORY, unless an extension of the term is mutually agreed upon by the Parties, then, NEOPROBE shall have the right to prosecute such infringer at its own expense in the FIELD in the TERRITORY and shall be entitled to retain any recovery obtained from such litigation, settlement or compromise thereof. NEOPROBE's cost of litigation in any quarter may be credited against up to fifty (50%) percent of the royalties due to DOW under Article 3 in the following quarter.

(c) By neither NEOPROBE or DOW - If DOW decides, after consulting with NEOPROBE, that neither DOW nor NEOPROBE will defend the PATENT in the FIELD in the particular country in the TERRITORY, then the royalty for that PATENT in that country becomes zero (0%) percent upon that decision date.

2.8 Invalidity - In the event that a PATENT in the TERRITORY is finally declared invalid or unenforceable in a judicial or administrative proceeding from which no appeal is or can be taken, then from and after that date no royalties shall be paid on the basis of that PATENT in the relevant country of the TERRITORY, provided, however, that royalties due for other PATENTS in the TERRITORY not so held invalid or unenforceable shall not be affected.

2.9 Settlement - Any settlement of an infringement suit, whether brought by DOW or by NEOPROBE, shall be subject to the consent of both Parties, which consent shall not be unreasonably withheld.

ARTICLE III
OBLIGATIONS OF NEOPROBE

3.1 License Fees: NEOPROBE agrees to and shall pay the following license fees to DOW pursuant to the rights granted NEOPROBE by DOW hereunder: a royalty as stated in Article 3.4(a), (b) and (d) of the TTA, to be paid for the life of any PATENT in any country in the TERRITORY in which PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODY is manufactured or sold under any such PATENT, and if no PATENT(s) issues in a country, then so long as a royalty is due and payable under Article 3.4(b) of the TTA.

This royalty is IN ADDITION TO that royalty due DOW under the TTA and under the License for the I2 Process under Articles 2.6 and 3.4(c) of the TTA. Once all PATENTS have expired and the term for payment under Article 3.4(b) of the TTA has lapsed, then NEOPROBE shall have a paid up license.

3.2 Periodic Statements: Within forty-five (45) days after the initial shipment of PRODUCT and/or RADIOLABELLED SUCCESSOR ANTIBODY occurs, and promptly within thirty (30) days following each calendar quarter thereafter, NEOPROBE shall furnish to DOW complete and accurate statements, certified to be accurate by NEOPROBE, showing the number, description and gross sales price, itemized deductions from gross sales price and NET SALES of the PRODUCT and/or RADIOLABELLED SUCCESSOR ANTIBODY covered by this LICENSE distributed and/or sold by NEOPROBE during the preceding calendar quarter, together with any returns made during the preceding calendar quarter. These statements shall also include status of applications for regulatory approvals in the TERRITORY, manufacturing facilities and entity(ies), AFFILIATES or sublicensees that are preparing, making, using or selling PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODY, and projected plans for commercialization and sales in the TERRITORY. Such statements shall be furnished to DOW whether or not any of the PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODY has been sold during the preceding calendar quarter.

3.3 Records: NEOPROBE agrees to keep accurate books of account and records covering all transactions relating to the LICENSE, and an independent certified public accountant selected by DOW and approved by NEOPROBE, which approval shall not be unreasonably withheld, shall have the right at all reasonable business hours to an examination of said books of account and records and of all other documents and materials in the possession or under the control of NEOPROBE with respect to the subject matter and terms of this LICENSE, and shall have free and full access thereto for said purposes and for the purpose of verifying payments due under Article 3.1 above. Any such examination shall be made no more frequently than once in any twelve (12) month period during the term hereof, unless DOW has reasonable cause for additional review. If such

examination demonstrates that the royalty and fees paid by NEOPROBE to DOW have been understated by more than five percent (5%), then the cost of such examination shall be borne by NEOPROBE; otherwise, the cost of such examination shall be borne by DOW. All books of account and records shall be kept available for at least three (3) years after the year in which sales were made, including three (3) years after the last year that payments are due under Article 3.1 hereunder.

3.4 Material Breach: Should NEOPROBE

(i) fail to make any payments when due to DOW under this LICENSE for a period of ninety (90) days after they are due without any cure or fail to fully cure within hundred (100) days from the payment due date; or
(ii) fail to achieve the fifty thousand dollar ($50,000) annual minimum sales for NET SALES for PRODUCT, NON-RADIOLABELLED PRODUCT or SUCCESSOR ANTIBODIES during the first year of commercialization and every year thereafter as required under the TTA; or
(iii) fail to meet the diligence requirements under Article 3.5; or
(iv) assign this LICENSE without DOW's prior written consent; or
(v) sublicense any portion of this LICENSE without providing DOW with a copy of the signed sublicense agreement within thirty (30) days of its signature and which sublicense shall have terms at least as rigorous by NEOPROBE's obligations under this LICENSE; or
(vi) sell, sublicense or otherwise cause to be available on the market any PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODIES for use outside the FIELD, unless a license is obtained by NEOPROBE from NIH for diagnostics with respect to the SUCCESSOR ANTIBODIES or unless a license is obtained by NEOPROBE from NIH and DOW for RIT with respect to the SUCCESSOR ANTIBODIES or unless a further license is obtained by NEOPROBE from DOW with respect to uses out side the FIELD; or
(vii) fail to provide the periodic statements under Article 3.2;

then all rights and licenses granted by DOW shall terminate and revert to DOW, unless a modification in terms is agreed to in writing by DOW.

3.5 Diligence: NEOPROBE shall use its reasonable commercial efforts under the circumstances to (i) commercialize the PRODUCT or RADIOLABELLED SUCCESSOR ANTIBODIES (which effort shall be no less than those of any other commercial product of NEOPROBE or its AFFILIATE(S) or sublicensee(s) and within the usual standards for such products in the pharmaceutical industry); and (ii) meet the benchmarks and diligence requirements stated in the signed NIH/NCI agreement for the FIELD. NEOPROBE agrees to supply to both DOW and NIH/NCI its development plan and establish the required benchmarks under the DOW sublicense with NIH/NCI.

3.6 Confidentiality: NEOPROBE shall continue to hold all information received from DOW under Article 2.3(c) of the TTA and received under Article 2.2 of this LICENSE confidential and not disclose it to or make copies for anyone not an employee of NEOPROBE or its AFFILIATE for five (5) years from the Effective Date unless a written release is obtained from NIH/NCI and DOW. A copy of the release signed by NIH/NCI must be provided to DOW prior to NEOPROBE requesting DOW's release. An exception to this provision is that NEOPROBE may disclose the information to their outside counsel or consultants who are under just as strict a confidentiality agreement terms as the TTA and this LICENSE with NEOPROBE.

3.7 Compliance for NIH/NCI: NEOPROBE acknowledges that it must comply with the TTA and its ADDENDUM especially with respect to the terms granted by NIH/NCI to DOW as reflected by the obligations under Article 2.3 of the TTA and the ADDENDUM to be able to practice under this LICENSE. As NEOPROBE shall perform DOW's obligations under DOW's sublicense from NIH/NCI, NEOPROBE agrees to comply with requests by NIH/NCI under any of DOW's obligations for SUCCESSOR ANTIBODIES in accord with the DOW CRADA for requirements during the CRADA's term and commercial sublicense from PHS.

3.8 Indemnification: NEOPROBE shall defend, indemnify and hold DOW and its employees, officers, directors, agents and affiliates harmless from and against all liability, demands, damages, expenses

and losses, including but not limited to death, personal injury, illness or property damage in connection with or arising out of the use by NEOPROBE, its

AFFILIATES and sublicensees, directors, or employees of (a) any PRODUCT (meaning for this Article 3.8 either as granted hereunder for SUCCESSOR ANTIBODIES or as granted under the TTA for ANTIBODY or for their RADIOLABELLED PRODUCTS), or (b) the design, manufacture, distribution or use of any PRODUCT or technology or samples provided of SUCCESSOR ANTIBODIES or ANTIBODIES or other products or processes developed in connection with or arising out of this LICENSE in the FIELD. NEOPROBE agrees to maintain a liability insurance program consistent with sound business practice throughout the term of the TTA and this LICENSE.

ARTICLE IV
GENERAL CONDITIONS

4.1 Governing Law: This LICENSE shall be governed by and construed and interpreted in accordance with the laws of the State of Ohio, excluding any choice of law rules which may direct application of the laws of any other jurisdiction.

4.2 Waivers: The failure of any Party to enforce any right hereunder shall not be deemed a waiver of that right of any continuing or subsequent breach of this LICENSE.

4.3 Amendments: No amendment of or modification to this LICENSE shall be valid unless expressed in writing and signed by both Parties.

4.4 Headings: Article and section headings contained in this LICENSE are included for convenience only and form no part of the LICENSE between the Parties.

4.5 Severability: If any provision of this LICENSE is or becomes or is deemed invalid, illegal, unenforceable, in any jurisdiction,

(a) such provision shall be deemed amended to conform to applicable laws of such jurisdiction so as to be valid and enforceable, or if it cannot be so amended without materially altering the intention of the Parties, it will be stricken;

(b) the validity, legality, and enforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction; and

(c) the remainder of this LICENSE will remain in full force and effect.

4.6 Assignment: Except as expressly provided herein, this LICENSE (including any of the rights or obligations contained herein) may not be assigned by either Party without the prior written consent of the other, which consent may not be unreasonably withheld. This LICENSE shall be binding upon and inure to the benefit of DOW and NEOPROBE and their successors.

4.7 Absence of Conflict: Each of the Parties, in order to induce the other Party to enter into and perform this LICENSE, hereby represents and warrants that neither the execution nor delivery of this LICENSE, or the consummation of the transactions herein contemplated, nor the fulfillment of or compliance with its terms and conditions, will conflict with, result in a breach of or constitute a default under any law, material contract, agreement or instrument by which it or its properties are bound. Each of the Parties further represents and warrants that it will take all corporate action necessary for the authorization, execution, delivery, and performance of this LICENSE and, when executed, this LICENSE will constitute a valid and binding obligation of each Party.

4.8 Use of Names: Nothing in this LICENSE shall imply any right by either Party to use the other Party's name, trademark, service mark, or logo of any kind without the prior written consent of such other Party, except if desired for purposes of publicizing the existence of the relationship of the Parties hereunder, which if done shall be done jointly by the Parties.

4.9 Compliance with Law and Force Majeure : Anything to the contrary in this LICENSE notwithstanding, the obligations of each Party hereto shall be subject to all laws, regulations, or orders, both present and future, and any government having jurisdiction over such Party, including but not limited to the U.S. Export Administration Regulations. NEOPROBE agrees to comply with all necessary governmental regulations in the TERRITORY with respect to export of any PRODUCT or know-how, or SUCCESSOR ANTIBODY or RADIOLABELLED PRODUCT in the TERRITORY. NEOPROBE agrees to not export or re-export any know-how, PRODUCT,

SUCCESSOR ANTIBODIES, or RADIOLABELLED PRODUCT received from DOW or the direct products of such technology to any prohibited country listed in the U.S. Export Administration Regulations unless properly authorized by the U.S. Government. NEOPROBE shall be responsible for the acts of its AFFILIATES, contractors, consultants and sublicensees. NEOPROBE assumes all liability if it or its AFFILIATES fails to obtain any of the necessary licenses or commits any violations of the United States Export Laws or Regulations (15 C.F.R. Section 700 et seq.).

Neither of the Parties hereto shall be liable to the other for any loss, injury, delay, damages, or other casualty suffered or incurred by such other Party due to war, fire, flood, strike, labor trouble, breakage of equipment, accident, riot, action of governmental authority and laws, rules, ordinances, and regulations (including, but not limited to, those dealing with pollution, health, ecology, production of radioactive isotopes, or environmental matters), act of God, or contingency which is beyond the reasonable control of such Party, and any failure or delay by either of the Parties hereto in performance of any of its obligations under this LICENSE due to one or more of the foregoing cause shall not be considered a breach of this LICENSE.

4.10 Further Assurances: The Parties agree to execute such additional document(s) as may be reasonably necessary, acceptable and appropriate to protect each Party's rights in connection with said Party's use of the other Party's technology.

4.11 TTA: This LICENSE shall be held as fully satisfying each Party's obligation with regard to Article 1.3(b) under the TTA. Other provisions of the TTA and its ADDENDUM which must be retained with this LICENSE for the FIELD for the PROCESS are also included within the terms of this LICENSE. Such provisions include, but are not limited to, Articles 2.3,3.4(a), (b), (c) and (d) and the entire ADDENDUM.

4.12 Notices: Any notice or other communication required or permitted to be given hereunder shall be in writing and deemed given when sent if by telex or facsimile transmission, or when deposited with the cable or telegraph company, or when mailed with first class postage prepaid or by courier, and shall be addressed as follows:

If to DOW:

Michael J. Mintz, Ph.D.
Director
External Technology
The Dow Chemical Company
2030 The Dow Center, Abbott Road
Midland, MI 48674

telephone: 517-636-9458
facsimile: 517-636-8127

(Technology issues)

William Dowd, Ph.D.
Director
Materials R & D
The Dow Chemical Company
1707 Building, Washington Street
Midland, MI 48674

telephone: 517-636-1360
facsimile: 517-638-9547

with a copy to:

Karen L. Kimble, JD
Senior Counsel
The Dow Chemical Company
1790 Building, Washington Street
Midland, MI 48674

telephone: 517-636- 1687
facsimile: 517-638-97862

If to NEOPROBE:

Neoprobe Corporation

Attention: President
425 Metro Place North
Suite 400
Dublin, Ohio 43017-1367

telephone: 614-793-7500
facsimile: 614-793-7522

with a copy to:

J. K. Mueller, Jr., Esq.
MUELLER AND SMITH, L.P.A.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, Ohio 43235

telephone: 614-436-0600
facsimile: 614-436-0057

Either Party may give written notice of a change of address, and after such notice is received, any notice thereafter shall be given to such Party at such changed address.

4.13 Prior Agreements: All terms from the TTA, ADDENDUM, AMENDMENT EXTENSION, SECOND AMENDMENT and License for the 12 technology are retained unchanged and all terms from the TTA also apply to this LICENSE unless specifically altered herein.

IN WITNESS WHEREOF, the Parties have caused this LICENSE to be executed in duplicate by their duly authorized representatives on the date last written below.

THE DOW CHEMICAL COMPANY	NEOPROBE CORPORATION
By: s/ Fred P. Corson	By: s/ David C. Bupp
Fred P. Corson	David C. Bupp
Title: Vice President Research and Development	Title: President and Chief Operating Officer
Date: May 1, 1996	Date: May 1, 1996

Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment underRule 24b-2

Exhibit 10.3.46

LICENSE AGREEMENT

THIS license agreement (hereinafter "License) is made between THE DOW CHEMICAL COMPANY (hereinafter "DOW"), a corporation duly formed and existing under the laws of the State of Delaware, having a place of business at 2030 Willard H. Dow Center, Abbott Road, Midland, Michigan 48674, United States of America, and Neoprobe Corporation (hereinafter "NEOPROBE"), a corporation duly formed and existing under the laws of the State of Delaware, having a place of business at 425 Metro Place North, Dublin, Ohio 43017-1367;

WITNESSETH:

WHEREAS, DOW is engaged in certain research and development involving certain radioactive conjugated agents used for localization in specific tissue; and

WHEREAS, DOW has proprietary rights in technology relating to said agents, including: patent rights, know-how, and other industrial property rights; and

WHEREAS, NEOPROBE desires to undertake the further development and commercial exploitation of said agents; and

WHEREAS, NEOPROBE desires to obtain an exclusive, global license for DOW's technology relating to said agents; and

WHEREAS, DOW is willing to grant said license to NEOPROBE; and

WHEREAS, DOW and NEOPROBE have signed a Confidentiality Agreement, effective from September 16,1988; and

WHEREAS, DOW and NEOPROBE have signed a Letter of Intent, effective January 29,1996 which terms are included in this License.

NOW, THEREFORE, DOW and NEOPROBE, in consideration of the mutual covenants contained herein, hereto agree as follows:

ARTICLE 1
DEFINITIONS

When used in this License, the following terms shall have the meanings set out below, unless the context requires otherwise. The singular shall be interpreted as including the plural and vice versa, unless the context clearly indicates otherwise.

1.1 "AFFILIATE" means a corporation or any other entity that at any time during the term of this License directly or indirectly through one or more intermediaries is CONTROLLED by the designated Party, but only for so long as the relationship exists. A corporation or other entity shall no longer be an AFFILIATE when through loss, divestment, dilution or other reduction of a Party's ownership, the Party losses CONTROL of such corporation or other entity.
Omitted Portions of this Exhibit are Subject to a Request for Confidential Treatment underRule 24b-2

1.2 "ANTIBODY or ANTIBODIES" as used herein means one or more antibodies directed against carcinoma associated antigens and selected from:

(a) certain antibodies developed by Dr. Jeffrey Schlom and his associates at the Laboratory of Tumor Immunology and Biology, National Cancer Institute, National Institutes of Health under a CRADA, and further described as:

(1) monoclonal antibodies COL-1 through 15 which are directed against various restricted epitopes of the 180,000 dalton carcinoembryonic antigen complex, and

(2) some forty (40) monoclonal antibodies directed against the purified TAG-72 antigen and designated CC1 through 92, including CC49; and

(b) successor antibodies to the above, developed by DOW or NIH/NCI under the above CRADA (during the term of the CRADA) as replacements therefor in the FIELDS.

1.3 "APPROVAL" means final approval by a HEALTH AUTHORITY in any country where applicable in the TERRITORY, for commercial marketing of PRODUCT, including approval of final labeling and price approval.

1.4 "CDA" means a confidential disclosure agreement, Confidentiality Agreement, effective from September 16, 1988, between the Parties. A copy is attached as Appendix B.

1.5 "CONFIDENTIAL INFORMATION" means any information of either Party regarding TECHNOLOGY, PATENTS, any samples of ANTIBODY or PRODUCT, financial terms of this License, and business development plans for the PRODUCT. and does not include information excluded under Article 8.2.

1.6 "CONTROL" or "CONTROLLED" shall mean, in the case of a corporation, ownership or control, directly or indirectly, of more than fifty percent (50%) of the shares of stock entitled to vote for the election of directors and, in the case of an entity other than a corporation, ownership or control, directly or indirectly, of more than 50% of the assets or the ability to direct the management and affairs of such entity.

1.7 "CRADA" means an Cooperative Research and Development Agreement between DOW and PHS, effective from February 1, 1987 until it expired on February 1, 1995, and its amendments, for the development of ANTIBODIES by Dr. Jeffrey Schlom and his associates at the Laboratory of Tumor Immunology and Biology, National Cancer Institute, National Institutes of Health (NIH/NCI). A copy, with amendments, is attached as Appendix D.

1.8 "DMF" means DOW's drug master file and supporting documentation for the preparation of the PRODUCT for FIELD (II) on file at the FDA.

1.9 "DOE" means the United States Department of Energy and corresponding agencies of other countries in the TERRITORY.

1.10 "EFFECTIVE DATE" means the date of the last signature of the Parties to this License.

1.11 "FDA" means the United States Food and Drug Administration or any successor U.S. governmental agency performing similar functions.

1.12 "FIELD (I)" means Radioimmunoguided Surgery(TM) or RIGS(R) (trademarks of NEOPROBE) procedure which is defined as the injection into a human of either a RADIOLABELLED ANTIBODY joined to a LINKER or a RADIOLABELLED RECEPTOR LIGAND joined to a LINKER followed by the use of a hand-held radioactivity detecting probe (and not a gamma scanner) topically or during surgery to detect tumor lesions. Such procedure includes administration to a patient of a RADIOLABELLED ANTIBODY followed by the elapse of time for the RADIOLABELLED ANTIBODY to preferentially concentrate in any neoplastic tissue in the patient and for the background radioactivity in the patient to decrease, and the detection of such preferentially concentrated RADIOLABELLED ANTIBODY by a detector probe placed in juxtaposition with tissue suspected of containing said RADIOLABELLED ANTIBODY; and any surgical method claimed in NEOPROBE's U.S. Patent 4,782,840, or any reissue or extension thereof, or any corresponding patent application or patent in any country in the TERRITORY. This FIELD does not include the use of RADIOLABELLED ANTIBODIES at doses or energies high enough to exert, or be reasonably expected to exert, a cytotoxic or cytocidal effect on tumor cells (an effect sometimes referred to as radioimmunotherapy). This FIELD does not include the use of monoclonal antibodies, radiolabelled or modified in other ways, for external imaging. This FIELD is intended to comprise a medical use in humans of a PRODUCT that requires government APPROVAL by a HEALTH AUTHORITY prior to commercialization. Specifically excluded are the fields encompassed within the TTA and CRADA.

1.13 "FIELD (II)" means the use in humans for radioimmunotherapy ("RIT") of

either a RADIOLABELLED ANTIBODY with a LINKER intended to destroy cancer cells which is subject to the terms of the CRADA or a RADIOLABELLED RECEPTOR LIGAND joined to a LINKER at doses or energies high enough to exert, or be reasonably expected to exert, a cytotoxic or cytocidal effect on tumor cells. This FIELD is intended to comprise a medical use in humans of a PRODUCT that requires government APPROVAL by a HEALTH AUTHORITY prior to commercialization.

1.14 "FIELDS" means collectively FIELD (I) and FIELD (II).

1.15 "GMPs" means the Good Manufacturing Practices as defined from time to time in the United States Food, Drug and Cosmetics Act and related regulations or any successor laws or regulations governing the manufacture of the PRODUCT in the United States.

1.16 "HEALTH AUTHORITY" means the agency corresponding to the FDA of each country in the TERRITORY, including but not limited to the Center of Pharmaceutical Speciality ("CPS") procedure agency (or any successor agency) for WESTERN EUROPE.

1.17 "LETTER OF INTENT" means the letter agreement between the Parties effective January 29,1996, concerning the subject matter of this License. A copy is attached as Appendix C.

1.18 "LINKERS" means bifunctional organic molecules used to join ANTIBODIES or RECEPTOR LIGANDS with radionuclides used in PRODUCT

1.19 "NET SALES" shall mean the amount invoiced on sales of PRODUCT by NEOPROBE and its AFFILIATES to a THIRD PARTY, less the following deductions to the extent included in the amounts invoiced:

(i) trade, cash or quantity discounts actually allowed, granted from the invoiced amount and taken; and

(ii) amounts repaid or credited by reason of rejections, defects or returns or because of retroactive price reductions; and

(iii) insurance, if included in the amount invoiced; and

(iv) rebates paid pursuant to government regulations; and

(v) taxes or governmental charges for export/import fees or radioactive waste disposal fees by governmental authorities in the TERRITORY on the sales of PRODUCT to said THIRD PARTY, if included in said invoiced amount, whether denominated as value added taxes, sales taxes, or excise taxes, to the extent included in said invoiced amount.

NET SALES shall not include sales between or among NEOPROBE and its AFFILIATES.

1.20 "NRC" means the United States Nuclear Regulatory Commission, and corresponding agencies of any foreign government in the TERRITORY.

1.21 "PATENTS" means all patent applications and patents, together with any continuations, divisions, reissues and extensions of the foregoing which claims cover the process or manufacture, use or sale of LINKER, ANTIBODY or PRODUCT in the FIELDS in the TERRITORY which are owned, licensed or controlled by DOW or which become owned, licensed or controlled by DOW during the life of this License. The PATENTS existing which claims cover the FIELDS in the TERRITORY on the EFFECTIVE DATE are listed in APPENDIX A, which is attached hereto and made a part hereof. APPENDIX A shall be amended from time to time, at NEOPROBE's request, but no more frequently than once yearly, unless required to provide information to compute the payments due under this License.

1.22 "PRODUCT" means a RADIOLABELLED pharmaceutical composition or formulation joined to a LINKER, as a finished, packaged, product suitable for shipment and use in one of the FIELDS.

1.23 "RADIOLABELLED" means PRODUCT labeled, either with or without a LINKER present, with a radionuclide selected from 1231, 1251, 1311 or the lanthanide series of radioisotopes, excluding Gd.

1.24 "RECEPTOR LIGAND" means any site specific compound for human in vivo use, other than ANTIBODY, known to the public as of January 29, 1996, capable of delivery of the PRODUCT containing it to an intended tumor cell, except for compounds containing dendrimers, peptides or carbohydrates.

1.25 "TECHNOLOGY" means information, know-how, trade secrets, and data, relating to the manufacture of ANTIBODY, LINKER or PRODUCT or its use in the FIELDS which DOW owns as of the EFFECTIVE DATE or is otherwise lawfully in the possession of DOW during the TRANSFER PERIOD. The TECHNOLOGY includes all unpublished technical information regarding the formulations, toxicology, clinical data and results done by or reasonably available to DOW, preclinical data (including pharmaceutical and toxicological), animal data, compositions, process of making, DMF information, testing, packing, shipping, handling, and using ANTIBODY, LINKER and PRODUCT, and production techniques, packaging and handling techniques, quality control procedures, stability data, confidential material specifications, and files to which DOW has the right to disclose and license to third parties. Such TECHNOLOGY EXPRESSLY EXCLUDES process information, know-how, trade secrets, and data, relating to the manufacture of precursors to LINKERS.

1.25 "TERRITORY" means worldwide, EXCLUDING any countries prohibited or restricted under Article 11.

1.26 "THIRD PARTY" means anyone, other than NEOPROBE and its AFFILIATES. Thus THIRD PARTY includes, without limitation, physicians, hospitals, clinics, hospice facilities, patients, distributors, sublicensees, formularies, and radiopharmacies.

1.27 "TRANSFER PERIOD" means from the EFFECTIVE DATE until December 1, 1996.

1.28 "TTA" means the Technology Transfer Agreement between the Parties having an effective date of July 29,1992 and its amendments.

ARTICLE 2
GRANT OF LICENSE

2.1 Grant of License - DOW hereby grants to NEOPROBE, and NEOPROBE hereby accepts:

(a) an EXCLUSIVE license to use the TECHNOLOGY to make, have made, use, sell and have sold PRODUCT in the TERRITORY in FIELD (I), and an exclusive license under the PATENTS listed in Appendix A to make, have made, use, sell and have sold PRODUCT in the TERRITORY in FIELD (I). This License shall be fully exclusive, to the exclusion of DOW and its AFFILIATES, but subject to Article 2.3, and so long as this License is in effect; and

(b) an EXCLUSIVE license to use the TECHNOLOGY to make, have made, use, sell and have sold PRODUCT which contains RECEPTOR LIGAND in the TERRITORY in FIELD (II), and an EXCLUSIVE license under the PATENTS listed in APPENDIX A to make, have made, use, sell and have sold PRODUCT which contains RECEPTOR LIGAND in the TERRITORY in FIELD (II). This License shall be fully exclusive, to the exclusion of DOW and its AFFILIATES, but subject to Article 2.3, and so long as this License is in effect; and

(c) a NON-EXCLUSIVE license to use the TECHNOLOGY to make, have made, use, sell and have sold PRODUCT which contains ANTIBODY in the TERRITORY in FIELD (II), and a NON-EXCLUSIVE license under the PATENTS listed in APPENDIX A to make, have made, use, sell and have sold PRODUCT which contains ANTIBODY in the TERRITORY in FIELD (II). This grant shall be become fully exclusive, to the exclusion of DOW and its AFFILIATES, but subject to Article 2.3, upon NEOPROBE obtaining a license from NCI (or from the appropriate governmental entity), and so long as this License is in effect.

2.2 SUBLICENSING - The exclusive license under Article 2.1 (a) and (b) to NEOPROBE includes the right to sublicense third parties, whether or not AFFILIATES of NEOPROBE, including the right to enter into distributor contracts. NEOPROBE will make and will be responsible for all payments to DOW as a result of sublicensee and AFFILIATE sales of PRODUCT in the FIELDS in the TERRITORY.

NEOPROBE will also be responsible for the observance by all sublicensees of all applicable provisions of this License, and will use its best efforts to cause all sublicenses to observe the covenants in this License (i.e., regarding confidentiality, maintenance of records and reporting of NET SALES and royalty payments, exchanges of information and adverse reaction information). All such sublicenses shall be in writing.

If NEOPROBE desires to sublicense under Article 2.1 (c), it must do so in accord with the terms of this License and the provisions of the CRADA. Notification of PHS is required.

2.3 Reservations - DOW reserves the following rights.

2.3.1 DOW reserves the right to make, have made, and use LINKER or PRODUCT in FIELD (II) in the TERRITORY for the purposes of:

(i) process research;

(ii) basic research and development; and

(iii) publication of results obtained prior to the EFFECTIVE DATE with a copy to NEOPROBE.

2.3.2 DOW reserves the right for DOW to proceed, solely at its option and expense, to research, develop, make, have made, use, sell, have sold and license in the TERRITORY the following compounds and complexes for use within FIELD (II):

(i) RECEPTOR LIGANDS that are proprietary to other than NEOPROBE; and

(ii) PRODUCTS with any radionuclide (including Gd) other than (123)I, (125)I, (13l)I and the lanthanide series (excluding Gd).

2.3.3 DOW reserves the right for DOW to proceed, solely at its option and expense, to research, develop, make, have made, use, sell ,have sold and license, in the TERRITORY OUTSIDE the FIELDS:

(i) LINKER; and

(ii) complexes of LINKER with any metal including (123)I, (125)I, (131)I and the lanthanide series; and

(iii) products and antibodies joined with other linkers with any metal, including but not limited to (123)I, (125)I, (131)I and the lanthanide series.

2.4 Supply of LINKER for PRODUCT - DOW and NEOPROBE may enter into a separate commercial supply agreement under which DOW will supply NEOPROBE's requirements of LINKER for PRODUCT on mutually agreed terms and conditions. This Article 2.4 shall not imply an obligation on either Party to enter into a commercial supply agreement. If NEOPROBE employs a third party manufacturer for LINKER for PRODUCT, DOW shall assist NEOPROBE with TECHNOLOGY transfer to such manufacturer, but only that TECHNOLOGY which DOW is willing or able to disclose.

2.5 Results Available to DOW - NEOPROBE shall make available to DOW or DOW's licensees at no cost all results obtained using LINKERS in PRODUCTS for use by DOW or DOW's licensees in accord with. Article 2.3.

2.6 CRADA - For NEOPROBE to attain exclusivity under Article 2.1(c) for PRODUCTS containing ANTIBODY for FIELD (II), it is contingent upon NEOPROBE also acquiring an exclusive license from NCI under the CRADA rights within a reasonable time period or acquiring a non-exclusive grant from

NCI. DOW shall be notified when such grant from NCI has been obtained by NEOPROBE and a copy of the signed pages(s) of that agreement provided to confirm

the grant. At NEOPROBE's option, a copy of the agreement may be provided to DOW.

ARTICLE 3

TECHNOLOGY TRANSFER

3.1 Initial TECHNOLOGY Transfer - Part of the TECHNOLOGY has been transferred to NEOPROBE regarding ANTIBODY and PRODUCT in FIELD (I) under a CDA which shall be superseded by this License as of its EFFECTIVE DATE. All TECHNOLOGY heretofore disclosed by DOW to NEOPROBE regarding ANTIBODY, LINKER and PRODUCT (regardless of field of use) shall be deemed to have been disclosed pursuant to this License and shall be subject to the provisions of this License (including, but not limited to, Article 8 hereof). Further TECHNOLOGY transfer may be carried out by oral, written or electronic means. It is contemplated that TECHNOLOGY on ANTIBODY, LINKER and PRODUCT in FIELD existing on the EFFECTIVE DATE or generated during the course of TECHNOLOGY transfer hereunder will have been completely transferred within the TRANSFER PERIOD.

3.1.1 The Parties may arrange for meetings of their research and development personnel from time to time during the TRANSFER PERIOD to facilitate the transfer regarding PRODUCT, LINKER, ANTIBODY and TECH NO LOGY.

3.1.2 If DOW has any samples of LINKER available which can be provided, NEOPROBE may request a portion of such samples during the TRANSFER PERIOD.

3.2 Costs - DOW will provide five (5) work days of 8 hours per day (200 hours) free of charge to NEOPROBE of technical support at a mutually agreed site in the United States during the TRANSFER PERIOD. When possible for DOW, additional work days will be provided by DOW when requested by NEOPROBE, until one (1) year from the EFFECTIVE DATE, and DOW shall be reimbursed at the rate of one thousand dollars ($1,000.00) per day or on a pro rata basis. All of DOW's reasonable out-of-pocket expenses, e.g. travel, food, lodging, and normal associated expenses, incurred to comply with Article 3.1 during the TRANSFER PERIOD shall be paid by NEOPROBE. DOW shall supply such charges by invoice for items over twenty-five dollars (US$25.00).

3.3 Adverse Drug Experience Reporting -

3.3.1 During the TRANSFER PERIOD each Party agrees to report to the other Party, according to Article 16.1, any serious adverse reactions or any side effects which occur or other adverse events with PRODUCT as promptly as possible. Any such reactions or side effects must be reported (in full detail if requested) irrespective of whether there is a causal connection with the PRODUCT being administered or whether the causal connection is unclear or presumed to be not likely. Reports shall be in English or accompanied by an English translation.

For purposes of this reporting covenant, a serious adverse event is a reaction which meets one or more of the following criteria:

- a reaction which is life threatening or fatal;

- a reaction which resulted in hospitalization, or if the patient was already hospitalized, a reaction which prolonged hospitalization;

- a reaction which resulted in severe or permanent disability;

- a reaction which involved congenital anomaly or overdose, or cancer which was not already present at the beginning of treatment with PRODUCT; or

- a reaction which is considered to be important, significant or otherwise medically serious.

3.3.2 The Parties also agree to report to each other in writing on a mutually agreed periodic basis during the TRANSFER PERIOD for PRODUCT any and all other adverse reactions or side effects (in full detail if requested) regardless of seriousness or frequency of occurrence and irrespective of whether there is a causal connection with the PRODUCT being administered or whether the

causal connection is unclear or presumed to be not likely.

3.3.3 If an adverse reaction occurs in a blinded Clinical Trial which has not been unblinded, the adverse reaction will not be reported as in Article 3.3.1 or 3.3.2 above until the subject has been unblinded, in accordance with the trial protocol or otherwise as may be required for regulatory, medical or other reasons.

3.3.4 NEOPROBE, its AFFILIATES, sublicensees and contractors (parties under contract with NEOPROBE or its AFFILIATES for the conduct of clinical studies or obtention of registration for PRODUCT in the TERRITORY) shall be free to include such reports from DOW in their required reporting of adverse drug experiences to the HEALTH AUTHORITIES in the TERRITORY

3.3.5 After the TRANSFER PERIOD and during the life of this License, NEOPROBE shall make all reports required under Article 3.3 to the appropriate HEALTH AUTHORITIES in the TERRITORY.

3.3.6 NEOPROBE is aware that NCI has been conducting clinical trials using PRODUCT containing ANTIBODY for FIELD (II). DOW and NEOPROBE do not warrant that they have knowledge of or access to any adverse reports that may exist from those trials.

3.4 Clinical Trials - PRODUCT containing ANTIBODY for FIELD (II)

3.4.1 During the TRANSFER PERIOD NEOPROBE shall attempt to obtain any clinical data available to Dr. Jeffery Schlom and his associates who have been running clinical trials. If NEOPROBE is successful at obtaining a license from NCI under FIELD (II) for PRODUCT containing ANTIBODY, then such data should form a portion of that license.

3.4.2 As of the EFFECTIVE DATE, DOW is no longer supplying LINKER or ANTIBODY or PRODUCT to NCI for their clinical trials.

3.5 Restricted Information - Neither Party shall be obligated to disclose to the other any information that it is contractually or legally prohibited from disclosing to the other. In the event such a restriction applies, the affected Party will notify the other Party, and the Parties will use their good faith efforts, in-

cluding obtaining necessary consents or permits, to accomplish disclosure of such information by consent or lawful means.

3.6 DOW's Assistance to NEOPROBE - After submission of the file in the TERRITORY, NEOPROBE may ask for DOW's expertise to answer the rapporter's or other HEALTH AUTHORITY'S questions, even after the end of the TRANSFER PERIOD. If possible, DOW shall provide such reasonable assistance, at the expense of NEOPROBE.

ARTICLE 4
TRANSFER PERIOD

4.1 Transfer Period - The Parties anticipate that the TRANSFER PERIOD will be required to: a) complete the initial TECHNOLOGY transfer; b) conduct a Good Clinical Practices and Good Laboratory Practices audit of existing data and records; c) attempt to obtain access by NEOPROBE from NCI to any ongoing clinical trial data in the TERRITORY for PRODUCT containing ANTIBODY for FIELD (II); and d) permit access by the FDA to DOW's DMF or to the information contained therein; and if necessary, permit access to the DMF by other HEALTH AUTHORITIES.

4.2 Contact Persons - No later than thirty (30) days following the EFFECTIVE DATE, NEOPROBE and DOW will each advise the other of their associates responsible for handling the transition in as smooth and efficient a manner as possible.

ARTICLE 5
NEOPROBE DEVELOPMENT, OTHER ACTIVITY, DILIGENCE

5.1 Development and Marketing Efforts for PRODUCT - NEOPROBE shall use its best efforts to carry out remaining developmental work on PRODUCT as it believes necessary and to file applications with the HEALTH AUTHORITIES as NEOPROBE deems necessary. For purposes of this License, "best efforts" shall mean efforts reasonably consistent with those efforts used by NEOPROBE with regard to its developmental work and commercial activities for its own products deemed to have similar commercial potential, consistent with its business, research and development practices, and applicable legal and regu latory requirements. For NEOPROBE to have been deemed by DOW to have used their best efforts, DOW expects that in the TERRITORY NEOPROBE should:

5.1.1 Discuss with NCI concerning NEOPROBE's planned activities for PRODUCT containing ANTIBODY for FIELD (II) after the EFFECTIVE DATE (NEOPROBE may provide this License to NCI under confidentiality but with all financial terms and FIELD (I) terms removed). All such discussions with NCI during the term of this License shall be under confidentiality and shall be an exception under Article 8.2;

5.1.2 Assume all liability (indemnification) for any Clinical Trials on PRODUCT in the TERRITORY in the FIELDS which are done under NEOPROBE's direct supervision and protocols after the EFFECTIVE DATE;

5.1.3 NEOPROBE shall provide DOW, by June 1, 1997, an initial development plan and milestone schedule for the commercialization of RlGS(TM) for FIELD (I) and RIT for FIELD (II) using the DOW licensed TECHNOLOGY and PATENTS. DOW shall have the right to review NEOPROBE's supporting materials for these development programs.

5.1.4 NEOPROBE shall provide DOW with a semiannual development report outlining NEOPROBE's efforts to commercialize RIGS(TM) for FIELD (I) and RIT for FIELD (II) using the DOW licensed TECHNOLOGY and PATENTS.

5.1.5 Begin Phase I/II Clinical Trials in the TERRITORY and Phase II/III Clinical Trials in Europe and the United States for PRODUCT for the FIELDS in accord with the NEOPROBE development plan.

NEOPROBE will promptly notify DOW of the occurrence of all of the preceding events under Article 5.1 and supply DOW with proper notification and certification of the occurrence of first commercial sale in each FIELD.

Because DOW is aware that despite NEOPROBE's best efforts, the dates in the development plan may not be met, and upon NEOPROBE's discussion with DOW of the reasons for the delay, and DOW's consent (which will not unreasonably be withheld), these dates may be extended by a writing signed by both Parties while retaining all the other terms of this License.

5.2 Development Progress Reports - NEOPROBE will provide DOW with semiannual progress reports (reports to be verbal with one written annual report per year) of its development and registration activity, including submission(s) to HEALTH AUTHORITIES and APPROVAL(s) in the TERRITORY, until the PRODUCT is commercially launched for both FIELDS throughout the TERRITORY

5.3 Failure to Attain APPROVAL -

5.3.1 If NEOPROBE fails to meet any of the dates specified in Article 5.1 and the reason for the failure was deemed by DOW to be beyond NEOPROBE's control, e.g. delays by HEALTH AUTHORITIES, then the force majeure terms of Article 15 apply to Article 5.1 and an extension in time equal to the force majeure event shall automatically occur or NEOPROBE may terminate this License under Article 14.

5.3.2 If NEOPROBE fails to meet any performance times specified in Article 5.1 and the reason for the failure was reasonably deemed by DOW to be within NEOPROBE's control, then DOW shall either extend the date with a written copy of the new date provided under Article 16 and penalize NEOPROBE the additional sum of 10% of the APPROVAL fees in Article 7.2 or terminate this License under Article 14. NEOPROBE may indicate to DOW which option it prefers. If this failure occurs more than once for reasons within NEOPROBE's control, then the choice of above option resides with DOW.

5.3.3 The provisions of Article 5.3 shall be subject to the dispute resolutions available under Article 17.

5.4 Clinical and Preclinical Studies - NEOPROBE shall carry out such further studies, at its expense, of ANTIBODY, LINKER and PRODUCT as it deems necessary or advisable to develop the PRODUCT and in order to file such forms for APPROVAL with the HEALTH AUTHORITIES for commercialization in the TERRITORY for both FIELDS.

5.5 NEOPROBE Responsibility - NEOPROBE shall be solely responsible for the planning, design and execution of all its developmental work and commercialization with ANTIBODY, LINKER and PRODUCT for the TERRITORY after the EFFECTIVE DATE using TECHNOLOGY and PATENTS. NEOPROBE shall make any required reports to NCI if the PRODUCT falls within the CRADA.

5.6 Regulatory Costs - All regulatory costs for APPROVALS in the TERRITORY shall be borne by NEOPROBE after the EFFECTIVE DATE.

5.7 Future Research - Upon the EFFECTIVE DATE, NEOPROBE agrees that any research conducted by DOW on ANTIBODY, LINKER or PRODUCT at NEOPROBE's request during the TRANSFER PERIOD shall be paid by NEOPROBE. Any research conducted by DOW on ANTIBODY, LINKER or PRODUCT after the TRANSFER PERIOD shall be in accord with Article 2.3. DOW will draft any resulting patent applications and/or retain title to the patents conceived or reduced to practice during the TRANSFER PERIOD, but NEOPROBE will be exclusively licensed under this License for the TERRITORY for the FIELDS so long as this License is in effect.

ARTICLE 6
PATENT RIGHTS

6.1 DOW to Maintain PATENTS - DOW shall be responsible at its own cost and expense for prosecuting the patent applications in PATENTS and for maintaining and extending the PATENTS listed on APPENDIX A. DOW shall use good faith efforts to prosecute, issue and maintain all PATENTS in APPENDIX A.

6.2 NEOPROBE to Assist DOW in extension or restoration of PATENTS - Although DOW shall be responsible for extension or restoration of PATENTS listed on APPENDIX A, NEOPROBE agrees to provide DOW with reasonably requested records, information and assistance to achieve the extension or restoration of any PATENTS in the TERRITORY.

6.3 Notice of Patent Lapse - DOW shall promptly advise NEOPROBE of the grant, lapse, nullification, revocation, surrender, or invalidation of any of the PATENTS.

6.4 Validity, Non-Infringement -

6.4.1 DOW DOES NOT WARRANT that the manufacture, use and sale of the ANTIBODY, LINKER or PRODUCT do not fall within the scope of third party patents or the industrial property rights of a third party. However, to the best of DOW's knowledge, information and belief, that as of the EFFECTIVE DATE, the manufacture, use and sale of the ANTIBODY, LINKER or PRODUCT for the FIELDS does not fall within the scope of third party patents which are not owned or licensed by DOW.

6.4.2 Abbott Hold Harmless - By the terms of an Agreement between Abbott Laboratories ("Abbott") and DOW effective October 23, 1995 (copy attached hereto as APPENDIX E), NEOPROBE shall be considered as a Related Party and granted a royalty free non-exclusive worldwide immunity from suit under Abbott Patent Rights to make, have made, use, sell and have sold Macrocyclic Compounds and compositions containing Macrocyclic Compounds; therefore, macrocyclic LINKERS are included. Promptly after the EFFECTIVE DATE, DOW shall notify Abbott in accord with Article 2.2 thereof.

6.5 Disclaimer of Warranties as to Patents - Other than as stated in Article 6.4, DOW makes no representation that the inventions covered in any PATENTS are patentable or that the PATENTS are or will be valid or enforceable, nor does DOW warrant or represent that the exercise of the rights licensed hereunder is free

of infringement of patent rights of third parties. Should any infringement or damages be alleged, suit brought or damages collected therefore, no damages are permitted to be collected from DOW.

6.6 Prosecution of PATENTS by NEOPROBE - If NEOPROBE can obtain NCI's written consent (together with OTT and/or any other required agency) to assume the prosecution and maintenance of the patents under this License where CRADA rights are concerned and such proof is provided to DOW, then DOW will consider such proposal where all claims in the patent relate only to subject matter exclusively licensed under this License to NEOPROBE and where DOW has no interest in retaining other rights to the claims. It is understood that if this event should occur, such patents will be exclusively licensed to NEOPROBE, not assigned. Royalties and payments due DOW under Article 7 would continue.

6.7 Copies of PATENTS - After the EFFECTIVE DATE, DOW shall supply to NEOPROBE's counsel indicated in Article 16.1 with a copy of each issued patent in English or if not in English then with a copy of the last set of claims as amended for issue in English. Copies of prosecution shall be supplied upon NEOPROBE's request. If during prosecution issues arise that are of a significant nature to the retention of the patent, DOW's counsel shall confer with NEOPROBE's counsel on the best course of action. All decisions remain with DOW.

ARTICLE 7
PAYMENTS AND ROYALTIES

7.1 Initial Payment - NEOPROBE will pay to DOW within ten (10) days from the EFFECTIVE DATE an initial payment of Two Million (US$2,000,000) Dollars paid in fully registerable common stock with the number of shares owed computed from a twenty (20) day trailing average of the closing price on the NASDAQ stock market just prior to January 29, 1996 (the effective date of the LETTER OF INTENT) (i.e., $16.025/share = 124,805 shares). Such stock shall be registerable on demand by DOW with piggy back registration rights with all costs for such registration paid by NEOPROBE. This payment will not be creditable against future royalty payments or any other payments made under this License and is nonrefundable.

7.2 Payments on Approvals - NEOPROBE will make additional fixed sum payments to DOW, which payments will not be creditable against future royalty payments, in the following amounts and events:

* (US$*) Dollars upon first APPROVAL of a PRODUCT for either FIELD (I) or FIELD (II) that uses TECHNOLOGY. Such fee shall be due even if the PATENTS have expired.

7.3 Sublicensing Fees - DOW shall be paid by NEOPROBE * percent (* %) of all licensing revenue received for sublicensing in FIELD (I) or FIELD (II) which includes DOW's TECHNOLOGY or PATENTS. Thus, if NEOPROBE sublicenses the ANTIBODY, LINKER or PRODUCT such that a third party (nonaffiliated to NEOPROBE) sells the ANTIBODY, LINKER or PRODUCT, then NEOPROBE shall pay DOW * (* %) percent of all payments (i.e., up front fees, milestone payments, minimum annual fees, etc.) received by NEOPROBE and, in addition, the royalty of * (* %) percent of the earned royalty received by NEOPROBE.

7.4 Earned Royalties for PATENTS - NEOPROBE will pay DOW an earned royalty of * Percent (* %) of NET SALES of PRODUCT, the manufacture, use or sale of which would infringe a valid, unexpired claim of one or more of the PATENTS UNDER APPENDIX A. (For example, if PRODUCT is manufactured in France under a PATENT and that PRODUCT (including components or kits such as ANTIBODY or LINKER) is sold in the TERRITORY of Algeria, then NEOPROBE would pay DOW this earned royalty of *% on all NET SALES on the PRODUCT in Algeria.)

* Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested confidential treatment of this information.

No royalties are due under this Article 7.4 under any claim of a PATENT

which is held invalid by a court of competent jurisdiction from which no appeal is or can be taken

No royalties are due under this Article 7.4 after the last to expire PATENT on APPENDIX A expires and after any patent term restoration or extension term ceases.

7.5 Royalties for TECHNOLOGY License - This fee is completely paid under Articles 7.2 and 7.7.

7.6 Royalties for Equity and Research - Royalty shall not include equity investments and research contract revenues received by NEOPROBE.

7.7 Achievement of Milestone Payments - A one time payment is due DOW the first year that total NET SALES for PRODUCTS in FIELD (I) and FIELD (II) that use DOW TECHNOLOGY achieve the following levels:

<TABLE>
<CAPTION>

	Net Sales Milestone Payments	
	Sales Achieve (Millions $US)	Payment (Millions $US)
<S>	<C>	<C>
	*	*
	*	*
	*	*

</TABLE>

These milestone payments are not creditable against royalties.

These Milestone Payments shall be due until the last to expire PATENT expires or until ten (10) years from the first APPROVAL, whichever event occurs later in time.

7.8 Minimum Annual Payments - Commercial sale of the PRODUCT for both FIELDS is expected in the TERRITORY. After the first year upon receipt of the first APPROVAL for either FIELD (I) or FIELD (II) by any HEALTH AUTHORITY and for the whole term where NEOPROBE would manufacture, use or sell a PRODUCT which would infringe a valid, unexpired claim of one or more of the PATENTS listed in APPENDIX A, then NEOPROBE shall pay DOW the following minimum annual royalty:

<TABLE>
<CAPTION>

	Minimum Annual Royalties	
	YEAR** January 1	US$
<S>	<C>	<C>
	2 -4	*
	5 - on	*

</TABLE>

**The calendar year in which first Approval is obtained is year zero

All the above sums include any and all taxes required to be paid or withheld by NEOPROBE on DOW's behalf. The earned royalty may be credited against this minimum fee. The minimum fee may be paid in earned royalty and/or cash.

* Omitted and filed separately under Rule 24b-2 pursuant to which Neoprobe Corporation has requested confidential treatment of this information.

Minimum annual royalty payments are due at the same time as any fourth quarter earned royalty payments under Articles 7.3, 7.4, 7.5 and 7.6 in accordance with Article 7.10.

7.9 Payments - A report, including: the amount of payment with the date the payment was made; an itemized payment listing; and date of this License under which payment is being made and the number _____, shall be sent to:

The Dow Chemical Company
Royalty Accounting
2020 Building
Midland. Ml 48674

With payment by wire transfer to THE DOW CHEMICAL COMPANY and sent to:

Citibank of New York
New York, NY
For the account of The Dow Chemical Company

7.10 Quarterly Royalty Reports and Payments - Within sixty (60) days after the close of each calendar quarter, NEOPROBE shall submit a report on the NET SALES of PRODUCT in the FIELD for the TERRITORY in sufficient detail to enable a calculation of the royalty due in accord with Article 7 and payment of the royalty (if any) due.

7.11 Books of Account - NEOPROBE shall maintain true and complete books of account containing an accurate record of all data necessary for the proper computation of royalty payments due from it or on behalf of any AFFILIATE. Such records shall be maintained for at least five (5) years after the date of the Pertinent royalty payment.

7.12 Audit Right - DOW shall have the right, either through a certified public accountant employed by DOW or through a firm of independent public accountants to whom NEOPROBE has no reasonable objection, to examine the books of account of NEOPROBE at reasonable times within three (3) years after the end of the calendar year to which they relate (but not more than once in each calendar year) for the purpose of verifying the correctness of any report concerning diligence or payment of royalties under Articles 5 and 7, respectively. Such examination shall be made during normal business hours at the place of business of NEOPROBE. The information furnished as a result of any such examination shall be maintained in confidence on the terms specified in Article 8. The fees and expenses of such an audit shall be borne by DOW. If any such audit shows any underpayment or overcharge, a correcting payment or refund shall be made within thirty (30) days of NEOPROBE' receipt of the auditors' statement. If such error is material (meaning +5%), then if NEOPROBE owes DOW from such material error, NEOPROBE shall be subject to a penalty as if the payment were deemed late in accord with Article 7.14. Should NEOPROBE fail to make any correcting payment within sixty (60) days from receipt of the auditors' statement, then DOW shall have the rig ht to terminate this License under Article 14.5.

7.13 Withholding Tax Payments - If any taxes for DOW's account, withholding or otherwise, are levied by any taxing authority in the TERRITORY in connection with the receipt by DOW of any amounts payable under Article 7 of this License according to any tax treaty or agreement between the United States AND ANY country in the TERRITORY, then NEOPROBE shall have the right to pay such taxes to the local tax authorities and the payment to DOW of the net amount due after reduction by the amount of such taxes, together with

(i) evidence of payment of such taxes and a translation thereof into English,

(ii) indication of the amount of such tax paid, and

(iii) indication of the country in the TERRITORY and the authority to whom it was paid, and comply with NEOPROBE's royalty reporting obligations under this License.

However, if DOW still requires further information, the report due under Article 7.10 may also be requested by DOW and NEOPROBE shall promptly provide that information.

7.14 Late Payments - Royalty payments not remitted or deposited by the due date shall bear interest at the current prime rate plus 2% established by a leading New York bank, such as CitiBank, as published in The Wall Street Journal. Should NEOPROBE fail to make any late payment within sixty (60) days from its due date, then DOW shall have the right to terminate this License under Article 14.5 upon fifteen (15) days written notice to NEOPROBE to allow cure.

ARTICLE 8
CONFIDENTIALITY

8.1 Each Party shall use good faith efforts to retain in confidence and not disclose to any third party each other's Confidential Information (which includes, but is not limited to, TECHNOLOGY, PATENTS, and any samples of ANTIBODY, LINKER or PRODUCT) disclosed pursuant to the terms of this License. Such "good faith efforts" shall mean the same degree of care, but no less than a reasonable degree of care, as the receiving Party uses to protect its own Confidential Information of a like nature. NEOPROBE shall use the same good faith efforts with respect to the DOW TECHNOLOGY already in its possession.

8.2 Excepted from the obligation of confidence under Article 8.1 is that information which:

(a) is available, or becomes available, to the general public without fault of the receiving Party; or

(b) is obtained by the receiving Party without an obligation of confidence from a third party (other than the FDA or a HEALTH AUTHORITY) who is rightfully in possession of such information and is under no obligation of confidentiality to the disclosing Party concerning such information; or

(c) is required by law or by court order to be disclosed by the receiving Party in which cases the receiving Party will use its best efforts to limit such disclosure to that required by law and to maintain the confidentiality of the disclosed information to the extent possible; or

(d) must be necessarily disclosed to HEALTH AUTHORITIES to permit NEOPROBE to sell PRODUCT in the FIELD; or

(e) may be disclosed in accord with Article 2.3.1, 3.3.6 or 3.4.1; or

(f) is necessary to disclose to the NIH/NCI under a CRADA for either FIELD or to obtain the license contemplated under Article 2.1(c); or

(g) is released from confidentiality in writing by the disclosing Party.

For the purpose of Article 8.1, a specific item of TECHNOLOGY shall not be deemed to be within the foregoing exceptions merely because it is embraced by more general information in the public domain or in the possession of the receiving Party. In addition, any combination of features shall not be deemed to be within the foregoing exceptions merely because individual features are in the public domain or in the possession of the receiving Party, but only if the combination itself and its principle of operation are in the public domain or in the possession of the receiving Party.

8.3 Notwithstanding the provisions of Article 8.1, if the receiving Party becomes legally compelled to disclose any of the disclosing Party's TECHNOLOGY, the receiving Party shall promptly advise the disclosing Party of such required disclosure in order that the disclosing Party may seek a protective order or such other remedy as the disclosing Party may consider appropriate in the circumstances. The receiving Party shall disclose only that portion of the TECHNOLOGY which it is legally required to disclose. Such a disclosure shall not

release the receiving Party with respect to the TECHNOLOGY so disclosed except to the extent of permitting the required disclosure.

8.4 Disclosure to AFFILIATES, Contractors - NEOPROBE may disclose TECHNOLOGY to its AFFILIATES, sublicensees, consultants and, when permitted herein, its clinical investigators, contractors (parties under contract with NEOPROBE or its AFFILIATES for the custom manufacturing or shipping of PRODUCT, conduct of clinical studies or obtention of registration in the TERRITORY), as may be necessary to exercise the rights granted hereunder and to register and prepare for commercialization of PRODUCT, and to commercialize PRODUCT under this License, under conditions of confidentiality at least as stringent as those set out in Articles 8.1, 8.2 and 8.3.

8.5 Document Return - In the event of termination of this License under Article 14.2, 14.3 (if the breach is by NEOPROBE), 14.4, 14.5 or 14.6 prior to its normal expiration, NEOPROBE will cease its use of the TECHNOLOGY and other CONFIDENTIAL INFORMATION provided hereunder and, on DOW's request, within sixty (60) days either return all such CONFIDENTIAL INFORMATION, including any copies thereof, or will promptly destroy the same and certify such destruction to DOW; except that such CONFIDENTIAL INFORMATION as is or has become no longer subject to confidentiality under Article 8.1 need not be returned or destroyed. Notwithstanding the foregoing, NEOPROBE may retain such documents as are necessary for it to discharge its surviving obligations hereunder and its legal obligations to the governmental authorities for counterpart agencies to DOE and NRC; and NEOPROBE may retain such copies of documents as may be necessary for the defense of product liability or other litigation or similar proceedings relating to ANTIBODY or PRODUCT, and may retain one copy thereof in its legal department as a record of what was transmitted.

8.6 Survival of Confidentiality - Termination of this License for any reason shall not relieve the Parties of their obligations under Article 8. The provisions of Article 8 shall survive termination of this License for twenty (20) years.

8.7 Confidentiality Agreement Extension - The CDA was expanded in scope in the LETTER OF INTENT. All disclosures between the Parties since the effective date of the CDA with regard to the subject matter of this License are deemed to have been disclosed under that CDA. After the EFFECTIVE DATE this License shall supersede the CDA with respect to the present subject matter for PRODUCT for the FIELDS.

ARTICLE 9
THIRD PARTY INFRINGEMENT CLAIMS

9.1 Defense of Third Party Patent Claims - If a claim is brought by a third party that manufacture, use or the sale of LINKER or PRODUCT in the TERRITORY (regardless of use) infringes a patent of such third party, NEOPROBE will give prompt written notice to DOW of such claim if it concerns a PATENT or TECHNOLOGY. DOW shall have the sole discretion and right to seek to dispose of said claim or to conduct the defense of any suit resulting from such claim if outside the FIELDS in the TERRITORY. NEOPROBE at its option and expense may participate in any Suit resulting from such claim that directly affects its market in the FIELDS in the TERRITORY.

If the claim brought by a third party that manufacture, use or the sale of ANTIBODY in the TERRITORY (regardless of use) infringes a patent of such third party, NEOPROBE will give prompt written notice to DOW and NCI of such claim if it concerns a PATENT or TECHNOLOGY. DOW shall have the sole discretion and right to seek to dispose of said claim or to conduct the defense of any suit resulting from such claim in the FIELDS in the TERRITORY. DOW shall confer with NCI as required under the CRADA or the Commercial License for FIELD (I). NEOPROBE at its option and expense may participate in any suit resulting from such claim that directly affects its market in the FIELDS in the TERRITORY.

9.2 Mutual Decisions - From the EFFECTIVE DATE and using their good faith efforts, NEOPROBE and DOW shall discuss any claim or suit brought by a third party for patent infringement that such third party's patent is infringed by the manufacture, use or sale of ANTIBODY, LINKER or PRODUCT by NEOPROBE or its

AFFILIATES in the FIELDS in the TERRITORY. Specifically, NEOPROBE and DOW shall mutually try to agree on: the strategy for such suit or claim, e.g. whether to negotiate a set tlement, sue or withdraw from the country in the TERRITORY in which infringement is claimed; the basis to be determined for sharing the costs of litigation, damages awarded, and royalty to be paid to the third party; which Party should conduct the defense or if both NEOPROBE and DOW should jointly defend; the consequences of such decisions, such as amendment to this License with regard to royalties due to DOW; and any obligations or royalty payment modifications due NCI for ANTIBODY

9.3 Third Party License - The Parties shall use their good faith efforts (either individually or together) to negotiate any necessary agreement for royalty payment to third parties with a view to enabling the PRODUCT to be commercialized in the FIELDS in the TERRITORY. As of the EFFECTIVE DATE, DOW is not aware of the need for any such third party license that is not already obtained .

ARTICLE 10
PATENT ENFORCEMENT LITIGATION

10.1 Prosecution by DOW - DOW, at its sole discretion, may take action on its own behalf and expense to institute any action or proceeding by reason of infringement of any of the PATENTS. If either Party learns of any infringement of a PATENT or misappropriation of trade secrets or TECHNOLOGY by a third party, it shall promptly notify the other Party.

DOW shall have the first right, at its own expense, to prosecute all litigation against a third party infringer who may be infringing a PATENT. NEOPROBE shall provide all reasonable cooperation, including any necessary use of its name, required to prosecute such litigation. NEOPROBE shall be consulted concerning the litigation. DOW will bear the costs and shall be entitled to any recovery obtained from such litigation, settlement or compromise thereof.

10.2 Prosecution by NEOPROBE - If DOW does not prosecute such infringer or otherwise abate such infringement (which infringement must be of commercial significance to NEOPROBE in DOW's reasonable business opinion) within ninety (90) days after giving or receiving notification of such infringement in the TERRITORY, unless an extension of the term is mutually agreed upon by the Parties, then, NEOPROBE shall have the right to prosecute such infringer at its own expense in the FIELDS in the TERRITORY and shall be entitled to retain any recovery obtained from such litigation, settlement or compromise thereof. NEOPROBE's cost of litigation in any quarter may be credited against up to fifty (50%) percent of the royalties due to DOW under Articles 7.4, 7.5 and 7.6 in the following quarter. However, NEOPROBE shall place all royalties due to DOW in escrow from the date of filing the suit until the action or proceeding is finally concluded whereupon:

if the PATENT in the country in the TERRITORY is held valid (whether infringed or not), then the royalties in escrow (after deduction of NEOPROBE's cost of litigation as referred to hereinabove) shall be paid to DOW; or

if the PATENT in the country in the TERRITORY is held invalid (whether infringed or not), then the royalties in escrow shall be paid to NEOPROBE.

At NEOPROBE's request, DOW shall cooperate with NEOPROBE in such litigation, including joining in said litigation. DOW shall also cooperate, at NEOPROBE's expense, by way of providing access to evidence and witnesses available to DOW.

10.3 Prosecution by neither NEOPROBE or DOW - If DOW decides, after consulting with NEOPROBE, that neither DOW nor NEOPROBE will defend the PATENT in a FIELD in the particular country in the TERRITORY, then the royalty for that PATENT for that FIELD in that country becomes zero (0%) percent upon that decision date

10.4 Invalidity - In the event that a PATENT in the TERRITORY is finally declared invalid or unenforceable in a judicial or administrative proceeding

from which no appeal is or can be taken, then from and after that date no royalties shall be paid on the basis of that PATENT in the relevant country of the TERRITORY, subject to the provisions of Article 10.2, provided, however, that royalties due for other PATENTS in the TERRITORY not so held invalid or unenforceable or royalties for use of TECHNOLOGY shall not be affected.

10.5 Settlement - Any settlement of an infringement suit, whether brought by DOW or by NEOPROBE, shall be subject to the consent of both Parties, which consent shall not be unreasonably withheld.

10.6 Cooperation - Each Party shall cooperate with the other Party to the extent reasonably requested in any legal action:

(i) brought by a third party against one Party or

(ii) brought by a third party against both of them or

(iii) taken against a third party by either Party

regarding PATENTS in the FIELDS in the TERRITORY, and each Party shall have the right to participate in any defense, compromise or settlement to the extent that, in its judgment, it may be prejudiced thereby. In addition, NEOPROBE shall not settle any claim or suit in any manner that shall adversely affect any PATENTS, require any payment by DOW or reduce the royalty due to DOW hereunder without the prior written consent of DOW, except as provided in Article 10.2.

ARTICLE 11
U.S. EXPORT CONTROL AND GOVERNMENT LICENSES

11.1 Compliance - NEOPROBE agrees to comply with all necessary United States governmental regulations with respect to export of TECHNOLOGY and any PRODUCT, ANTIBODY, RADIOLABELLED PRODUCT or LINKER in the TERRITORY. NEOPROBE agrees to not export or re-export any TECHNOLOGY, PRODUCT, ANTIBODY, RADIOLABELLED PRODUCT or LINKER received from DOW or the direct products of such TECHNOLOGY to any prohibited country listed in the U.S. Export Administration Regulations unless properly authorized by the U.S. Government. NEOPROBE shall be responsible for the acts of its AFFILIATES, contractors, consultants and sublicensees. NEOPROBE assumes all liability if it or its AFFILIATES fails to obtain any of the necessary licenses or commits any violations of the United States Export Laws or Regulations (15 C.F.R. Section 700 et seq.).

11.2 DOE, NRC Licenses - NEOPROBE agrees to obtain all necessary licenses and to comply with all applicable regulations of agencies similar to DOE and NRC in the TERRITORY with respect to PRODUCT and RADIOLABELLED PRODUCT.

11.3 Clearances - NEOPROBE agrees to obtain all necessary clearances from any government in the TERRITORY for export or re-export with respect to the TECHNOLOGY or PRODUCT, RADIOLABELLED PRODUCT, ANTIBODY or LINKER.

ARTICLE 12
PRODUCT LIABILITY AND INDEMNIFICATION

12.1 Indemnity by DOW - DOW shall indemnify and hold NEOPROBE, its agents, directors, officers, employees and AFFILIATES harmless from and against any and all liabilities, claims, demands, damages, costs, expenses or money judgments (including reasonable attorneys' fees and expenses) incurred by or rendered against any of them for personal injury, sickness, disease or death or property damage which directly arise out of:

(a) the intentional misconduct or negligence of DOW; or

(b) the breach by DOW of its warranties given in Article 6.6 of this License or in any applicable supply agreement under Article 2.4;

provided, however, that NEOPROBE shall give DOW notice in writing as soon as practicable of any such claim or lawsuit and shall permit DOW to undertake the defense thereof at DOW's expense. However,

(i) NEOPROBE will cooperate in such defense by providing access to witnesses and evidence available to it. NEOPROBE shall have the right to participate in any defense to the extent that in its judgment, NEOPROBE may be prejudiced thereby; and

(ii) in any claim or suit in which NEOPROBE seeks indemnification by DOW, NEOPROBE shall not settle, offer to settle or admit liability or damages in any such claim or suit without the prior written consent of DOW

12.2 Indemnity by NEOPROBE - NEOPROBE shall indemnify and hold DOW and AFFILIATES, and their respective agents, directors, officers, employees harmless from and against any and all liabilities, claims, demands, damages, costs, expenses or money judgments (including reasonable attorneys' fees and expenses) incurred by or rendered against any of them for personal injury, sickness, disease or death or property damage which arise out of

(i) the manufacturing, testing, use, promotion, sale or distribution of ANTIBODY, LINKER, RADIOLABELLED PRODUCT or PRODUCT by NEOPROBE or its AFFILIATES, except for those instances provided in Article 12.1 for which DOW is obligated to indemnify NEOPROBE; or

(ii) the breach by NEOPROBE of any of its representations, warranties or covenants contained in this License or any agreement contemplated by the terms of this License,

provided, however, that DOW shall give NEOPROBE notice in writing accord with Article 16 as soon as practicable of any such claim or lawsuit and shall permit NEOPROBE to undertake the defense thereof at NEOPROBE's expense. However,

(i) DOW will cooperate in such defense by providing access to witnesses and evidence available to it. DOW shall have the right to participate in any defense to the extent that in its judgment, DOW may be prejudiced thereby; and

(ii) In any claim or suit in which DOW seeks indemnification by NEOPROBE, DOW shall not settle, offer to settle or admit liability or damages in any such claim or suit without the prior written consent of NEOPROBE.

ARTICLE 13
TECHNOLOGY WARRANTY, DISCLAIMER, INSURANCE

13.1 Belief of Accuracy - DOW represents that the TECHNOLOGY, and any other CONFIDENTIAL INFORMATION transferred or provided to NEOPROBE hereunder, are believed to be accurate and complete as of their current status at DOW at the EFFECTIVE DATE and that DOW's interpretations and conclusions drawn therefrom were made in good faith and in the exercise of DOW's sci entific judgment as of the dates of the documents contained therein, and that to the best of DOW's knowledge, data subject to regulations regarding Good Laboratory Practices and Good Clinical Practices, GMP and other FDA regulations, is in compliance with such regulations. However, DOW does not warrant or represent that such information is or will be sufficient to obtain APPROVAL to market PRODUCT or to commercially produce RADIOLABELLED PRODUCT or PRODUCT or to commercialize PRODUCT with HEALTH AUTHORITIES in the TERRITORY.

NEOPROBE represents that it will be solely relying on its own evaluation of the TECHNOLOGY and the other CONFIDENTIAL INFORMATION transferred or provided to it hereunder and on its own medical and scientific expertise in using the same in its development and commercialization of PRODUCT in each FIELD.

13.2 Insurance - NEOPROBE agrees to carry such liability insurance as would reasonably be expected of a company of NEOPROBE's net worth operating in the pharmaceutical industry and sufficient to meet any governmental requirements. Written assurance that such insurance is in effect must be provide to DOW by the

EFFECTIVE DATE. NEOPROBE agrees to maintain such insurance for the term of this License.

ARTICLE 14
TERM AND TERMINATION

14.1 Term - Unless terminated under the provisions of this Article 14, this License shall continue in effect until the expiration of all PATENTS listed on APPENdix A or until ten (10) years from the first APPROVAL for TECHNOLOGY, whichever occurs last, provided, however, that Articles 8, 11, 12, 13, and 18 contained in this License shall survive termination of this License.

When this License expires under this Article 14.1, the licenses granted under this License shall be paid-up; however, any payments still due under Article 7.7 will continue until paid in full.

14.2 Failure to Use License - If NEOPROBE and its AFFILIATES shall have

(i) discontinued selling PRODUCT in commercial quantities using their best efforts in accord with Article 5 to commercialize; or

(ii) not commercialized PRODUCT in accord with Article 5; or

(iii) not paid the minimum annual royalty required in full when due under Article 7.8,

then NEOPROBE shall have the right to terminate this License upon ninety (90) days written notice.

If termination under this Article 14.2 results, then NEOPROBE shall promptly supply to DOW all registration information for HEALTH AUTHORITIES that is available to NEOPROBE or its AFFILIATES for use by DOW, its AFFILIATES or sublicensees, at no cost to DOW, all rights granted by the License together with the rights received under the CRADA that are DOW's.

If this License is terminated under Article 5.3 when within NEOPROBE's control, then NEOPROBE shall promptly supply to DOW all registration information for HEALTH AUTHORITIES that is available to NEOPROBE or its AFFILIATES for use by DOW, its AFFILIATES or sublicensees without compensation to NEOPROBE by DOW together with the rights received under the CRADA that are DOW's..

14.3 Termination for Breach - In the event of a material breach by either DOW or NEOPROBE of any of the obligations contained in this License, the other Party shall be entitled to terminate this License by notice in writing under Article 16 provided that such notice shall specify the breach or breaches complained of. If the said breach or breaches are capable of remedy, the Party committing such breach or breaches shall be entitled to a period of sixty (60) days from the delivery of such notice in which to remedy or to

undertake to remedy the same. In the case the defaulting Party shall fail to remedy the breach or to undertake to remedy the breach to the satisfaction of the injured Party, the injured Party shall have the right to cancel this License in whole or, if reasonable to the injured Party, only terminate those rights and obligations relating to the particular breach by simply notification to the Party in default. Failure of a Party to exercise its rights under this Article 14.3 shall not be construed as a waiver as to future breaches whether or not they are similar.

14.4 Termination by NEOPROBE - NEOPROBE may surrender and terminate this License on ninety (90) days written notice to DOW in accord with Article 16. NEOPROBE will disclose to DOW its reasons for any such termination.

14.5 Termination by DOW - DOW shall have the right to terminate this License immediately on written notice to NEOPROBE if:

(a) NEOPROBE shall cease to carry on business or shall go into liquidation or a receiver shall be appointed to NEOPROBE's assets; or

(b) NEOPROBE shall become bankrupt or insolvent or unable to meet any of its financial obligations in full on their due dates; or

(c) NEOPROBE fails to meet any of its payments in full when due in accord with Article 7; or

(d) NEOPROBE fails to meet its diligence requirements under Article 5; or

(e) NEOPROBE fails to maintain accurate records or to provide the written reports required in accord with Article 7.

14.6 On Termination - NEOPROBE shall, upon termination of this License by DOW under Articles 14.2, 14.3 or 14.5 or termination by NEOPROBE under Article 14.2, 14.3 or 14.4:

(a) return to DOW all copies of documents containing TECHNOLOGY and any materials received from DOW under confidentiality and CONFIDENTIAL INFORMATION concerning ANTIBODY, LINKER, RADIOLABELLED PRODUCT and PRODUCT in the FIELDS;

(b) pay to DOW all payments and royalties due or accrued at the termination date within thirty (30) days after termination, and pay to DOW all payments due under Article 7.7, but if termination under Article 14.3 (if breach by NEOPROBE) or 14.5, then Article 7.7, if applicable, shall be accelerated and due within said thirty (30) days; and

(c) make no further use of any kind of any and all TECHNOLOGY disclosed hereunder by DOW, except to the extent such information has become public knowledge other than through fault of NEOPROBE, and make no further use of the surviving PATENTS; and

(d) take all steps necessary and execute any instruments required to assign all the rights relative to-any government health registrations of PRODUCT in each FIELD held by NEOPROBE to DOW or to DOW's designee and to assist DOW or its designee to obtain new government health registrations for the PRODUCT in each FIELD, and, if such new registrations are obtained by DOW or its designee, NEOPROBE agrees to notify the

HEALTH AUTHORITIES to cancel all those registrations of PRODUCT in each FIELD which are in the name of NEOPROBE, subject to reimbursement by DOW of NEOPROBE's out-of-pocket expenses of obtaining such registrations (except in the case of termination for breach by NEOPROBE); and

(e) assign to DOW any distributorships, PRODUCT manufacturing agreements and sublicense agreements, to the extent they are specific to the PRODUCT or RADIOLABELLED PRODUCT or LINKER or ANTIBODY for at least one FIELD and are assignable and to the extent such agreements were previously agreed with DOW to survive termination of this License; or, at DOW's option, terminate such agreements as are terminable unilaterally by NEOPROBE.

14.7 Survival of Certain Obligations - On termination of this License: the obligations of confidentiality set forth in Article 8 shall survive for the time stated therein; adverse reaction reporting set forth in Article 3.5 shall survive; Export Control compliance set forth in Article 11 shall survive; and the indemnification obligations set forth in Article 12 shall also survive as to all claims or actions arising from events which occurred before termination.

ARTICLE 1 5
FORCE MAJEURE

15.1 Event of Force Majeure - In the event that performance under this License, or any obligation hereunder, is hindered, delayed or prevented by reason of acts of God, strikes, lockouts, labor troubles, intervention of any governmental authority,-fire, riots, insurrections, invasions, war or other

reason of simi lar nature beyond the reasonable control of the Party and are without its fault or negligence, then performance of that act shall be excused for the period of the delay and the period for the performance of that act shall be extended for an equivalent period.

15.2 Notification. Upon occurrence of an event of force majeure, the affected Party shall promptly notify the other Party in writing, setting forth the nature of the occurrence, its expected duration and how that Party's performance is affected. The affected Party shall resume the performance of its obligations as soon as practicable after the force majeure event ceases.

ARTICLE 16
NOTICES

16.1 Official -Any notice, request or communication specifically provided for or permitted to be given under this License must be in writing and may be delivered by courier service, registered mail, or electronic transmission such as facsimile or electronic mail, and shall be deemed effective as of the time of actual delivery thereof to the addressee. For purposes of notice the addresses of the Parties shall be as follows:

DOW: The Dow Chemical Company
2030 Willard H. Dow Center
Midland, Michigan 48674
U.S.A.

Attention: Michael J. Mintz, PhD
Director

External Technology

Telephone: 517 - 636 - 9458
Facsimile: 517 - 636 - 8127

with a copy to:

The Dow Chemical Company
Patent Department
1790 Building, Washington Street
Midland, Michigan 48674

Attention: Karen L. Kimble, JD
Senior Counsel

Telephone: 517 - 636 - 1687
Facsimile: 517 - 638 - 9786

NEOPROBE: Neoprobe Corporation
425 Metro Place North

Suite 400
Dublin, Ohio 43017-1367

Attention: David C. Bupp
President and
Chief Operating Officer

Telephone: 614 - 793 - 7500
Facsimile: 614 - 793 - 7522

with a copy to:

MUELLER AND SMITH, L.P.A.
MUELLER-SMITH BUILDING
7700 Rivers Edge Drive
Columbus, Ohio 43235

Attention: J. K. Mueller, Jr., Esq.

Telephone: 614 - 436 - 0600
Facsimile: 614 - 436 - 0057

16.2 Transition - For purposes of coordination during the TRANSFER PERIOD, the addresses of the Parties shall be as follows:

DOW: The Dow Chemical Company
1707 Building
Midland Michigan 48674

Attention: Dr. William Dowd
Director
Materials R & D

Telephone: 517 - 636 - 1360
Facsimile: 517 - 638 - 9547

NEOPROBE: Neoprobe Corporation
425 Metro Place North
Suite 400
Dublin, Ohio 43017-1367

Attention: Dr. William A. Eisenhardt
Telephone: 614 - 793 - 7500
Facsimile: 614 - 793 - 7520

16.3 Each Party may change its address and its representative for notice by the giving of notice thereof in the manner hereinabove provided.

ARTICLE 17
DISPUTE RESOLUTION

17.1 Choice of Law - This License shall be governed by the laws of Ohio, excepting its conflict of laws principles, in all respects of validity, construction and performance, except that all questions concerning the construction, validity, coverage or infringement of PATENTS shall be decided in accordance with the patent law of the country where the patent was granted.

17.2 Disputes - Both Parties shall make good faith efforts to resolve any questions concerning construction and performance under this License, excluding PATENTS and antitrust issues, by:

17.2.1 Notice, contact and resolution, all proceedings and documents in English, between the Parties listed under Article 16.1 within one hundred twenty (120) days from the date of the notice by negotiation either by telephone or by meeting in Detroit, Michigan; and

17.2.2 If unsuccessful under Article 17.2.1, then senior executive management with settlement authority and patent counsel of DOW and NEOPROBE shall meet at a mutually agreeable location within sixty (60) days from a date of notice that Article 17.2.1 failed to resolve the issues. Patent counsel shall present the legal and factual arguments to such executives in English, with supporting evidence if necessary, and resolution by these executives is expected within ten (10) days, which may be reduced to writing in English as an amendment to this License; and

17.2.3 If such executives have not met or resolved the issues under Article 17.2.2, then within seventy five (75) days from the date of the notice under Article 17.2.1, the Parties shall submit the issues to arbitration in Chicago, IL, in English, in accordance with the Rules of the American Arbitration Association ("AAA"), which may be modified by the Parties, and judgment shall not be binding. The Parties agree that the following procedures shall be adhered to even though they may, in part, not be in full conformance with said Rules:

(a) Three Arbitrators shall be selected from a list of at least 20 arbitrators selected by the AAA composed of patent counsel with chemistry or pharmaceutical expertise who are practicing or retired partners in law firms or in-house corporate patent counsel, not affiliated with the Parties, with at least 10 years of experience in patent law and knowledge of the pertinent laws of any country relevant to the dispute. Each Party shall select one Arbitrator and then the two Arbitrators shall select the third. The arbitration proceedings and reports shall be in English. The time from the beginning of submission for arbitration and conclusion of any oral or written proceedings shall not exceed six (6) months; and

(b) Limited discovery to only that which each Party has a substantial, demonstrable need, and shall be conducted in the most expeditious and cost-effective manner. The Arbitrators shall resolve any issues with regard to the discovery. Decision by the Arbitrators shall be given in writing within thirty (30) days from the end of oral proceedings; and

(c) Although the decision by the Arbitrators is non-binding, should either Party then litigate in a Court of competent jurisdiction for the Parties, either Party may introduce the decision reached by Arbitration with its supporting evidence.

ARTICLE 18
ASSIGNMENT

18.1 Assignment - Neither Party to this License shall assign any rights hereunder without the prior written consent of the other Party, such consent not to be unreasonably withheld. It being agreed, however, that without such consent being required from DOW, NEOPROBE may assign to its AFFILIATES.

18.2 Consolidation, Reorganization or Merger- Should NEOPROBE be consolidated, reorganized or merged with another entity, NEOPROBE may assign or otherwise transfer this License to the successor entity or the assignee so long as such assignment or transfer shall be accompanied by a sale or other trans fer of all or substantially all of NEOPROBE's business and assets related to ANTIBODY or PRODUCT without DOW's prior written consent, but NEOPROBE must promptly notify DOW in accord with Article 16.1.

In any event where NEOPROBE is consolidated, reorganized or merged with another entity and this License is assigned to them, then such AFFILIATE or entity formed must have agreed to be bound by all terms of this License. Notification that they are so bound (with documentation if requested by DOW), must be supplied promptly to DOW in accord with Article 16.1.

18.3 Effect on Successors and Assignees - This License shall inure to the benefit of and be binding upon such successors and permitted assignees.

ARTICLE 19
MISCELLANEOUS PROVISIONS

19.1 Amendments - This License may be amended only in writing executed by both Parties.

19.2 Entirety of Agreement - This License sets forth the entire agreement and understanding between the Parties hereto with respect to PRODUCT in the FIELDS for their commercialization in the TERRITORY. The Parties agree that this License is in compliance with the LETTER OF INTENT. No other agreements (e.g., the TTA; the ADDENDUM to the TTA, effective July 29,1992; the

AMENDMENT EXTENSION of the TTA, effective January 1,1995; the SECOND AMENDMENT to the TTA, effective April 15,1996; the License for the 12 technology under the terms of Articles 2.6 and 3.4(c) of the TTA, effective October 10, 1995; and the License under the terms of Article 1.3(b) of the TTA, effective May 1, 1996 between the Parties is altered by this License and such other agreements remain in full force and effect.

19.3 Severability - If any term or provision under this License is deemed invalid under the laws of a particular country or jurisdiction, the invalidity shall not invalidate the whole License but it shall be construed as if not containing that particular term or provision and the rights and obligations of the Parties shall be construed and enforced accordingly. The Parties shall negotiate in good faith a substitute provision in compliance with the law to as nearly as possible retain the Parties intent in legally valid language.

19.4 Waivers, Cumulative Remedies - A waiver by either Party of any term or condition of this License in any one instance shall not be deemed construed to be a waiver of such term or condition for any similar instance in the future or of any subsequent breach hereof. All rights, remedies, undertakings, obliga tions and agreements contained in this License shall be cumulative and none of them shall be a limitation of any other remedy, right, undertaking, obligation or agreement of either Party.

19.5 Public use - NEOPROBE shall not make any public statements regarding this License without (a) DOW's prior written approval of such press release or statement with regard to the use of D O W 's name, logos or trademarks and (b) DOW's review and recommendations with regard to the description of DOW TECHNOLOGY. If the DOW TECHNOLOGY or PATENTS is discussed in any public document for the SEC or public offering, DOW shall have the right to review and recommend changes to any description of the DOW TECHNOLOGY or PATENTS.

19.6 Headings- Headings in this License are included herein for ease of reference and shall not affect the meaning of the provisions of this License, nor shall they have any other legal effect.

19.7 Other Documents - Each Party agrees to execute such additional papers or documents in customary legal form and to make such governmental filings or applications as may be necessary or desirable to effect the purposes of this License and carry out its provisions.

IN WITNESS WHEREOF, the Parties have duly executed this License in duplicate by their appropriate authorized representative. Separate signature pages are acceptable in facsimile form to each Party and the counterpart original signatures shall have the date from the facsimile. This License shall be deemed to have met all the conditions of the LETTER OF INTENT even if it is not signed by both Parties by May 1, 1996.

THE DOW CHEMICAL COMPANY	NEOPROBE CORPORATION
By s/ Fred P. Corson	By s/ David C. Bupp
Name: Fred P. Corson	Name: David C. Bupp
Title: Vice President Research and Development	Title: President and Chief Operating Officer

Exhibit 11.1

NEOPROBE CORPORATION AND SUBSIDIARIES
COMPUTATION OF NET LOSS PER SHARE

<TABLE>
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	Three Months Ended June 30,		Six Months Ended June 30,	
	1995	1996	1995	1996
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Net Loss	($ 2,483,052)	($ 4,398,618)	($ 5,024,350)	($ 7,948,817)
Weighted average number of shares outstanding:				
Weighted average common shares outstanding beginning of period	13,857,768	17,426,614	10,854,515	17,334,800
Weighted average common shares issued during period	165,318	2,314,091	2,085,370	1,245,859
Weighted average number of shares outstanding used in computing primary net loss per share	14,023,086	19,740,705	12,939,885	18,580,659
Weighted average number of shares used in computing fully diluted net loss per share	14,023,086	19,740,705	12,939,885	18,580,659
Net Loss Per Share:				
Primary	($ 0.18)	($ 0.22)	($ 0.39)	($ 0.43)
Fully diluted	($ 0.18)	($ 0.22)	($ 0.39)	($ 0.43)

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