

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 30, 2011

NEOPROBE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-26520
(Commission
File Number)

31-1080091
(IRS Employer
Identification No.)

425 Metro Place North, Suite 300, Columbus, Ohio
(Address of principal executive offices)

43017
(Zip Code)

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

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01. Entry Into Material Definitive Agreement.

On March 30, 2011, Neoprobe Corporation (the "Company") entered into a Separation Agreement and Release (the "Separation Agreement") and a Consulting Agreement (the "Consulting Agreement") with David C. Bupp, the Company's President and Chief Executive Officer, in connection with the retirement of Mr. Bupp from the Company effective April 15, 2011, as further described in Item 5.02 of this Current Report on Form 8-K, the contents of which are incorporated by reference into this Item 1.01.

The Separation Agreement will take effect on April 6, 2011, following the expiration of the seven day revocation period provided in Section 8.3 of the Separation Agreement. Pursuant to the terms of the Separation Agreement, the Company shall pay to Mr. Bupp the following sums: (1) \$532,500, less applicable tax withholdings, payable in twelve equal monthly installments on the first of each month beginning on May 1, 2011, as severance; (2) \$60,000, less applicable tax withholdings, payable in a single sum on March 1, 2012, in respect of Mr. Bupp's 2011 bonus; and (3) \$64,615.38, less applicable tax withholdings, in respect of Mr. Bupp's accrued vacation, floating and personal days through April 15, 2011, payable in a single sum on May 1, 2011. Additionally, the Separation Agreement provides for the payment to Mr. Bupp of the amount of his: (1) reasonable legal fees and expenses incurred in the negotiation of the Separation Agreement, in an amount not to exceed \$10,000; and (2) unreimbursed business travel, lodging and entertainment expenses incurred through April 15, 2011, in accordance with the Company's applicable expense reimbursement policies. The Separation Agreement is not intended to, and does not, modify or supersede the terms of the Company's Third Amended and Restated 2002 Stock Incentive Plan or: (1) the agreements under which the Company issued Mr. Bupp unexercised options to purchase 1,525,000 common shares of the Company's common stock, \$.001 par value ("Common Stock"); or (2) the award agreements dated January 1, 2009, December 1, 2009, and January 1, 2011 (collectively, the "Award Agreements"), pursuant to which the Company granted Mr. Bupp 400,000, 300,000 and 300,000 shares of restricted Common Stock, respectively, and Mr. Bupp's termination of employment with the Company shall be treated as a "termination without cause," with the effect that all unvested restricted shares that are the subject of those Award Agreements shall become fully vested on April 15, 2011. However, the Separation Agreement does effect an amendment to the award agreement, dated January 3, 2008, pursuant to which the Company granted Mr. Bupp an additional 300,000 shares of restricted Common Stock, by extending to December 31, 2012, the date when any shares of restricted Common Stock which have not previously vested in accordance with the vesting schedule contained in the award agreement will be forfeited. The Separation Agreement also provides for a release of certain claims that each of Mr. Bupp and the Company may have against the other, and for the non-competition provisions contained in the Employment Agreement, dated January 1, 2010, between Mr. Bupp and the Company, to remain binding and in effect for a period of one year following April 15, 2011.

The Consulting Agreement will take effect May 1, 2011 (provided the Separation Agreement has become effective prior to that date), for a term commencing on May 1, 2011, and terminating January 1, 2012. Per the terms of the Consulting Agreement, Mr. Bupp will provide advice and assistance to the Company in connection with its present and anticipated operations, clinical programs and financial affairs, and such other services as the Company may from time to time reasonably request. In consideration for the services provided by Mr. Bupp pursuant to the Consulting Agreement, and in exchange for noncompetition, nonsolicitation and confidentiality provisions contained in the Consulting Agreement, the Company will pay Mr. Bupp a consulting fee of \$8,000.00 per month for up to 5 days of consulting services during such month, and, if the Company specifically requests in writing that Mr. Bupp perform more than five days of consulting services in any month, the Company shall pay Mr. Bupp a daily rate of \$2,000 for such additional services.

The foregoing description of the terms of the Separation Agreement and the Consulting Agreement is qualified in its entirety by reference to the full text of the Separation Agreement and the Consulting Agreement, copies of which are attached hereto Exhibits 10.1 and 10.2, respectively, and each of which is incorporated herein in its entirety by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.

On March 30, 2011, the Company issued a press release announcing that its President and Chief Executive Officer, David C. Bupp, will retire from the Company effective April 15, 2011. The Company's Board of Directors has appointed Dr. Mark Pykett as the new President and Chief Executive Officer of the Company, effective April 15, 2011. The Company's Compensation, Nominating and Governance Committee (the "Committee") also intends to nominate Dr. Pykett for election to the Company's Board of Directors at the 2011 annual meeting of the Company's stockholders. Mr. Bupp will remain on the Company's Board of Directors and continue to assist the Company through the final stages of commercialization of Lymphoseek® and other product development activities as a consultant. A copy of the complete text of the Company's March 30, 2011, press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Dr. Pykett, age 47, has served as Executive Vice President and Chief Development Officer of the Company since November 2010. Prior to joining the Company, Dr. Pykett served as Founding CEO of Talaris Advisors LLC, a strategic drug-development company serving the biotech industry, from 2009 to November 2010. Prior to Talaris, Dr. Pykett was President and Chief Operating Officer of Alseres Pharmaceuticals, Inc. (formerly Boston Life Sciences, Inc.), President and a Director of CyGenics, President of Cordlife, and President and Chief Executive Officer and a Director of Cytomatrix. Dr. Pykett has also served as a Director of ADVENTRX Pharmaceuticals since 2004 and currently serves on the Boards of Directors of several private and not-for-profit organizations. Dr. Pykett also was an adjunct lecturer in cancer biology at Harvard University's School of Public Health and served on Northeastern University's Center for Enterprise Growth Corporate Advisory Board. Dr. Pykett graduated Phi Beta Kappa, summa cum laude from Amherst College, earned a veterinary degree, Phi Zeta, summa cum laude, and a Ph.D. in molecular biology from the University of Pennsylvania and holds an M.B.A., Beta Gamma Sigma, from Northeastern University. In addition, Dr. Pykett completed post-doctoral fellowships at the University of Pennsylvania and Harvard University.

In connection with the Board of Directors appointment of Dr. Pykett as President and Chief Executive Officer, the Company and Dr. Pykett have entered into an employment agreement (the "Employment Agreement"), with an effective date of April 15, 2011, and a relocation agreement (the "Relocation Agreement"), with an effective date of March 30, 2011.

The Employment Agreement has a stated term commencing on April 15, 2011, and terminating on the earlier of: (1) 36 months from April 15, 2011, in the event that Dr. Pykett relocates his principal residence to the greater Columbus, Ohio metropolitan area within 9 months of April 15, 2011; or (2) 18 months from April 15, 2011, in the event that Dr. Pykett does not relocate his principal residence to the greater Columbus, Ohio metropolitan area within 9 months of April 15, 2011.

The Employment Agreement provides for Dr. Pykett to receive an annual base salary of \$375,000. The Committee will review Dr. Pykett's base salary on an annual basis and may increase, but not decrease, the base salary at its discretion. Dr. Pykett may also receive an annual bonus at the discretion of the Committee, in accordance with any bonus plan adopted by the Committee. For the calendar year ending December 31, 2011, the Committee has determined that the maximum bonus payment to Dr. Pykett will be \$112,500, pro-rated to reflect the number of weeks during the 2011 calendar year in which the Company employed Dr. Pykett, and that Dr. Pykett will be eligible to receive payment of an appropriate portion of the bonus for such calendar year in the event Dr. Pykett's employment with Company terminates prior to December 31, 2011 (other than a termination "for cause," as defined in the Employment Agreement). The Employment Agreement also provides for Dr. Pykett's participation in the Company's employee benefit programs, stock based incentive compensation plans and other benefits as described in the Employment Agreement.

In the event the Company terminates Dr. Pykett's employment "for cause," all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to Dr. Pykett. If Dr. Pykett resigns, for any reason other than under certain circumstances described in the Employment Agreement following a "Change of Control" (as that term is defined in the Employment Agreement), all salary, benefits and other payments shall cease at the time such resignation becomes effective. If Dr. Pykett's employment is terminated because of death or disability, all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall continue to provide Dr. Pykett with such health, dental and similar insurance or benefits as were provided to Dr. Pykett immediately before his termination, for the longer of 12 months after such termination or the full unexpired term of his employment agreement. In addition, for the first six-months of any disability, the Company shall pay to Dr. Pykett the difference, if any, between the cash benefits received by Dr. Pykett from a Company sponsored disability insurance policy and his salary under the Employment Agreement.

In the event the Company terminates Dr. Pykett's employment without cause or at the end of the term of the Employment Agreement, the Company shall, at the time of such termination, pay to Dr. Pykett as severance: (1) in the event that Dr. Pykett has relocated his principal residence to the greater Columbus, Ohio metropolitan area within 9 months of April 15, 2011, the amount of \$750,000, or (ii) in the event that Dr. Pykett has not relocated his principal residence to the greater Columbus, Ohio metropolitan area within 9 months of the Effective Date, the amount of \$468,750, in each case together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. Additionally, the Company shall continue to provide Dr. Pykett with all of the benefits provided to him pursuant to the Company's employee benefit plans for the longer of 18 months or the full unexpired term of the Employment Agreement.

The Company must also pay Dr. Pykett severance, under certain circumstances, in the event of a Change of Control. The Employment Agreement provides that if there is a Change in Control and Dr. Pykett's employment is concurrently or subsequently terminated: (a) by the Company without cause; (b) by the expiration of the term of the Employment Agreement, or (c) by the resignation of Dr. Pykett 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, that his services are no longer required in light of the Company's business plan, or the Company has breached the Employment Agreement, the Company shall pay to Dr. Pykett the amount of \$937,500, together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of termination, and shall provide him with all of the benefits provided to him pursuant to the Company's employee benefit plans for the longer of 12 months or the full unexpired term of the Employment Agreement.

The Employment Agreement also contains non-competition and non-solicitation covenants. These covenants, as described in the Employment Agreement, are effective during Dr. Pykett's employment and for a period of 1 year following termination of employment.

The Relocation Agreement provides for the Company to reimburse Dr. Pykett in an aggregate amount not to exceed \$75,000, for certain costs associated with the relocation of his primary residence to the greater Columbus, Ohio metropolitan area, including: (1) up to \$20,000 to cover the reasonable costs of moving Dr. Pykett's and his immediate family's household goods and other personal property; (2) reasonable costs associated with temporary housing; (3) reasonable hotel and travel costs incurred by Dr. Pykett and his immediate family in traveling to and from the greater Columbus, Ohio metropolitan area if incurred pursuant to Dr. Pykett's search for a new primary residence; (4) reasonable closing costs and other sale-related costs for the sale of Dr. Pykett's existing primary residence, and closing costs for Dr. Pykett's purchase of a new primary residence; and (5) up to \$20,000 for actual loss incurred on the sale of Dr. Pykett's current primary residence.

The foregoing description of the terms of the Employment Agreement and the Relocation Agreement is qualified in its entirety by reference to the full text of the Employment Agreement and the Relocation Agreement, copies of which are attached hereto Exhibits 10.3 and 10.4, respectively, and each of which is incorporated herein in its entirety by reference.

Item 7.01. Regulation FD Disclosure.

In connection with the announcement of Mr. Bupp's retirement and Dr. Pykett's appointment, the Company held a business update conference call with investors at 9:00AM ET on March 31, 2011. During the course of the call, management noted that while the Company had announced in February it had met the accrual goal for the target number of lymph nodes for the main efficacy analyses in the NEO3-09 Phase 3 clinical study in subjects with breast cancer of melanoma. The yield of lymph nodes per patient participating in the study was higher than projected, meaning fewer patients were enrolled to achieve the target. In our meeting with the U.S. Food and Drug Administration in October 2010, we had agreed to a minimum number of patients in our safety database. As such, the NEO3-09 study needed to be kept open to achieve the overall target patient number required for safety purposes.

We have now reached the overall number of patients required for the NDA submission. The final patient in the NEO3-09 study has been enrolled and the study is now closed to enrollment. The patients will complete their procedures and then undergo a safety follow-up over approximately 30 days. The database will be audited and a rigorous quality check performed, at which point the database can be locked, officially concluding the study. These activities will enable presentation of top-line data in May and full data at the American Society of Clinical Oncology 2011 Annual Meeting to be held in June. The data from all of the Lymphoseek studies will be compiled into the full NDA submission, the filing of which with the FDA is anticipated in the 3rd Quarter of 2011.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	Separation Agreement and Release, dated March 30, 2011, by and between Neoprobe Corporation and David C. Bupp.
10.2	Consulting Agreement, dated March 30, 2011, by and between Neoprobe Corporation and David C. Bupp.
10.3	Employment Agreement, effective April 15, 2011, by and between Neoprobe Corporation and Mark J. Pykett.
10.4	Relocation Agreement, dated March 30, 2011, by and between Neoprobe Corporation and Mark J. Pykett.
99.1	Neoprobe Corporation press release dated March 30, 2011, entitled "Neoprobe Announces Retirement of David Bupp and Appointment of Mark Pykett as President and CEO Effective April 15th."

The Private Securities Litigation Reform Act of 1995 (the Act) provides a safe harbor for forward-looking statements made by or on behalf of the Company. Statements contained or incorporated by reference in this Current Report on Form 8-K which relate to other than strictly historical facts, such as statements about the Company's plans and strategies, expectations for future financial performance, new and existing products and technologies, anticipated clinical and regulatory pathways and markets for the Company's products, are forward-looking statements within the meaning of the Act. The words "believe," "expect," "anticipate," "estimate," "project," and similar expressions identify forward-looking statements that speak only as of the date hereof. Investors are cautioned that such statements involve risks and uncertainties that could cause actual results to differ materially from historical or anticipated results due to many factors including, but not limited to, the Company's continuing operating losses, uncertainty of market acceptance of its products, reliance on third party manufacturers, accumulated deficit, future capital needs, uncertainty of capital funding, dependence on limited product line and distribution channels, competition, limited marketing and manufacturing experience, risks of development of new products, regulatory risks and other risks detailed in the Company's most recent Annual Report on Form 10-K and other Securities and Exchange Commission filings. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

SIGNATURES

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

Neoprobe Corporation

Date: March 31, 2011

By: /s/ Brent L. Larson

Brent L. Larson, Senior Vice President
and Chief Financial Officer

SEPARATION AGREEMENT AND RELEASE

THIS SEPARATION AGREEMENT AND RELEASE (the "Agreement") which becomes effective following the expiration of the revocation period set forth below in this Agreement, is entered into between Neoprobe Corporation, on behalf of itself and its partners, officers, employees and agents, the shareholders, directors, officers, employees and agents of its partners, and affiliated, predecessor, successor, and other related companies, and each of them, jointly and severally (herein singularly and collectively called "Neoprobe"), and David C. Bupp, on behalf of himself and his heirs, executors, guardians, administrators, successors, and assigns, and each of them, jointly and severally (herein singularly and collectively called "Executive"), who together are sometimes referred to herein as the "Parties" and who agree to be bound by all of the terms and conditions of this Agreement.

WHEREAS, the Parties desire to fully, equitably, and completely settle and dispose of any and all claims of whatever kind or nature which Executive ever had, may now have, or may hereafter have, whether known or unknown, against Neoprobe, including but not limited to, those claims related to Executive's employment with and termination of employment from Neoprobe.

NOW, THEREFORE, in consideration of the mutual agreements of the Parties set forth below, including the payments to Executive by Neoprobe provided below, the Parties agree as follows:

1. Termination. The Parties confirm that Executive's employment, including his service in all offices, positions, titles and capacities he may hold with Neoprobe and any of its affiliates, is terminated effective as of 5:00 p.m., Columbus, Ohio time on April 15, 2011 (the "Termination Date"). Notwithstanding the foregoing, Executive shall (a) remain a member of Neoprobe's Board of Directors for the balance of his current term expiring at Neoprobe's annual meeting of stockholders in 2013, or until his earlier resignation or removal as a director in conformity with the Bylaws of Neoprobe, and shall receive fees and expense reimbursements for such service as are established from time to time by the Board of Directors, and (b) shall serve Neoprobe in the capacity of a consultant pursuant to the terms of the Consulting Agreement attached hereto as Exhibit A (the "Consulting Agreement"). It is understood and agreed by the Parties that the termination of Executive's employment qualifies as a "Termination Without Cause" under Section 4.D. of the Executive's Employment Agreement dated January 1, 2010 (the "Employment Agreement"), and as a "Retirement" under Sections 2.33 and 5.4.4(d) of Neoprobe's Third Amended and Restated Stock Incentive Plan (the "Plan"). Notwithstanding the terms of the Employment Agreement or the Plan, Executive is not entitled to any payment, benefit, or benefit accrual, or to participation in any Neoprobe benefit plan or program, at any time on or after the Termination Date, except as set forth in this Agreement.

2. Benefits and Payments.

2.1. Payments Through the Termination Date. Executive will be paid Executive's current base salary level through the Termination Date, less any and all applicable deductions and withholdings, and will continue to participate in all of Neoprobe's benefit plans through the Termination Date. Executive shall be reimbursed for any reasonable business expenses incurred through the Termination Date in accordance with Neoprobe's standard expense reimbursement policies and practices.

2.2. Payments On or Following the Termination Date. Following the Termination Date, Neoprobe will make the following payments to Executive:

- (a) *Severance.* The sum of \$532,500, less applicable tax withholdings, payable in twelve equal monthly installments on the first of each month beginning on May 1, 2011;
- (b) *2011 Bonus.* The sum of \$60,000, less applicable tax withholdings, payable in a single sum on March 1, 2012;
- (c) *Vacation.* The sum of \$64,615.38, less applicable tax withholdings, representing Executive's accrued vacation, floating and personal days through the Termination Date, payable in a single sum on May 1, 2011;
- (d) *Legal Fees.* Payment of Executive's reasonable legal fees and expenses incurred in the negotiation of this Agreement, in an amount not to exceed \$10,000, payable within five (5) business days following presentation to Neoprobe's Chief Financial Officer of copies of the original invoices for such services; and
- (e) *Expense Reimbursement.* Payment of Executive's unreimbursed business travel, lodging and entertainment expenses incurred through the Termination Date, in accordance with Neoprobe's applicable expense reimbursement policies, including presentation of appropriate documentation.

2.3. Equity Awards.

- (a) Options. Executive and Neoprobe confirm that (i) Executive currently holds unexercised options to purchase Neoprobe common shares aggregating 1,525,000 common shares, (ii) this Agreement is not intended to and does not modify or supersede the Plan or any agreement under which those options were issued, and (iii) Executive remains entitled to continue to vest in those options through the Termination Date and to exercise those options in accordance with, and subject to the restrictions and limitations contained in, the Plan and such agreements, provided that, consistent with the terms of the Plan applicable to a retirement of the Executive, such vested options will remain exercisable for a period of one year from the Termination Date, and to the extent that such options remain unexercised on such date, they will be forfeited. To the extent that the terms of any grant agreement or equity compensation plan under which Executive's unexercised options were awarded may be inconsistent with the preceding sentence, such agreement is hereby amended to conform therewith.

(b) Restricted Stock. Executive and Neoprobe further confirm that (i) Executive has certain unvested restricted shares of Neoprobe, under various restricted stock award agreements (collectively, and as amended herein, the “Award Agreements”), and (ii) in accordance with the Award Agreements dated January 1, 2009 (400,000 shares), December 1, 2009 (300,000 shares) and January 1, 2011 (300,000 shares), Executive’s termination of employment with Neoprobe shall be treated as a “termination without cause” with the effect that all unvested restricted shares that are the subject of those Award Agreements shall become fully vested on the Termination Date. With respect to the Award Agreement dated January 3, 2008 (300,000 shares), such Award Agreement is hereby amended to delete Section 3.2(b) thereof, and to modify Section 3.2(a) to read as follows:

“(a) On December 31, 2012, all Shares that have not vested in accordance with the Vesting Schedule set forth in the Grant Notice (“Unreleased Shares”), held by the Holder at the effective date of such expiration or termination, shall immediately and automatically be forfeited by Holder and assigned back to the Company.”

(c) Securities Trading Policies. Notwithstanding anything to the contrary in this Agreement, Executive's right to exercise options to purchase, or trade in, Neoprobe common stock remains subject, for so long as Executive shall remain a director of Neoprobe, to Neoprobe’s Securities Trading Policy for Officers, Directors and Key Employees, as the same may be amended from time to time; provided, however, Executive may exercise options to purchase Neoprobe common stock for cash at any time after the Termination Date. Executive acknowledges his continuing obligation to comply with applicable law with respect to trading in the securities of Neoprobe and its affiliates.

2.4. Healthcare Coverage. Executive and his spouse will continue to participate in Neoprobe’s group health plan on the same terms and conditions that are applicable to other executive employees of Neoprobe, for a period of 36 months following the Termination Date. Notwithstanding the foregoing, if Neoprobe reasonably determines that such a continuation of health coverage may not be exempt from federal income tax, then for a period of six (6) months after the Termination Date, Executive shall pay to Neoprobe an amount equal to the stated taxable cost of such coverage. After the expiration of the six-month period, Executive shall receive from Neoprobe a reimbursement of the amounts paid by Executive. Further notwithstanding the foregoing, in the event that such a continuation of coverage cannot be made available after the end of the period during which continuation coverage is generally available under the Neoprobe’s group health plan, Neoprobe shall assist Executive in finding other comparable coverage and shall reimburse Executive for the costs of such coverage so as to make the net benefit to Executive of such other continued coverage consistent, to the extent reasonably possible, with the coverage that was available under Neoprobe’s group health plan during the period such coverage was permitted to be continued, with such reimbursement to be provided in a manner consistent with the requirements of Treasury Regulation Section 1.409A-3(i)(iv). Any such reimbursements shall be subject to the following conditions: (i) the benefits or payments provided during any taxable year of Executive may not affect the benefits or payments to be provided to Executive in any other taxable year; (ii) reimbursement of any eligible expense must be made on or before the last day of the Executive’s taxable year following the taxable year in which the expense was incurred; and (iii) the right to such benefits or payments is not subject to liquidation or exchange for another benefit or payment.

2.5. Other Benefits. Executive will be permitted to convert, to his own individual coverage, any life insurance, disability, long-term care, travel or other policy provided to him as an executive of Neoprobe on the Termination Date, including the \$1 million “key man” term life insurance policy, provided that Executive pays or reimburses Neoprobe any costs of effecting such conversion, and that Executive pays any premiums accruing after the Termination Date for any converted policy.

3. Release of Claims. By signing this Agreement, and except as otherwise set forth below in Section 6 of this Agreement, Executive, on behalf of himself, his spouse, children and any heirs, family members, executors, administrators, privies and/or assigns (collectively, the “Executive Parties”), hereby forever releases, waives, and discharges Neoprobe, its subsidiaries and affiliates, successors and assigns, and each of its and their past, present and future officers, directors, agents, managers, supervisors, shareholders, employees, representatives, insurers, and attorneys (all of whom are collectively referred to as the “Released Parties”), from any and all claims, damages, lawsuits, injuries, liabilities, and causes of action that Executive has or may have, whether known to Executive or not, whether contingent or liquidated, based on or arising from any event, fact, conduct, condition, action, or inaction occurring or existing (in whole or in part) on or before the Termination Date and the Effective Date of this Agreement.

4. Release of All Employment Claims. Without limiting the foregoing releases, Executive, on behalf of himself and the other Executive Parties, understands and agrees that the release granted to the Released Parties by signing this Agreement releases all of the Released Parties from any rights and claims that could have been asserted under any city ordinance or state or federal law including, without limitation, those based on or relating to discrimination or retaliation based on race, religion, sex, handicap, disability, equal pay, age, national origin, creed, color, sexual orientation, retaliation, and sexual harassment, and includes claims under any applicable state, local or federal discrimination law, including without limitation, Title VII of the 1964 Civil Rights Act, the Civil Rights Act of 1991, the Fair Labor Standards Act, the Labor Management Relations Act, the Equal Pay Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Age Discrimination in Employment Act of 1967 as amended by the Older Workers Benefit Protection Act, the Consolidated Omnibus Budget Reconciliation Act, Workers’ Compensation Laws, Unemployment Compensation laws, 42 U.S.C. §§ 1981, 1983, 1985, and all laws, statutory or common, which are meant to protect employees in their employment relationships and under which Executive may have rights and claims, whether known to Executive or not, which may have arisen or which may hereafter arise, directly or indirectly, out of Executive's employment with, service to, or separation from Neoprobe. This release includes but is in no way limited to all claims of discrimination, harassment, retaliation, wrongful discharge, breach of implied contract, all equitable claims, negligent or intentional infliction of emotional distress, outrageous conduct, libel, slander, defamation, and/or any claims concerning any emotional or physical injury, arising out of or related in any way to Executive’s employment with, service to, or separation from Neoprobe.

5. Waiver of All Known and Unknown Claims. In making this Agreement, Executive, on behalf of himself and the other Executive Parties, acknowledges that he may later discover facts different from or in addition to those now known or believed to be true at this time. The releases and waivers contained in this Agreement are made notwithstanding the existence of any such different or additional facts. Executive further acknowledges that he may hereafter discover claims or facts in addition to or different from those which he now knows or believes to exist in connection with this Agreement. Those facts, if known or suspected at the time of executing this Agreement, may have materially affected this Agreement. Nevertheless, Executive waives any rights, claims or causes of action that might arise as a result of such different or additional claims or facts.

6. Exceptions from Release and Waiver. Notwithstanding anything to the contrary in this Agreement, the releases and waivers by Executive set forth in this Agreement do not apply to (i) any indemnification right, benefit or claim that Executive may have with respect to matters arising out of his service as an officer or director of Neoprobe or of any of its affiliates under Neoprobe's officer and director liability insurance policies, Neoprobe's certificate of incorporation or bylaws, applicable law, or any written agreement to which Executive is a party, (ii) any right, benefit or claim that Executive may have under this Agreement, (iii) any right, benefit, entitlement or privilege that arises under any other written agreement or instrument and that is expressly preserved by this Agreement, or (iv) any right, benefit or claim of Executive under the Employment Agreement through the Termination Date.

7. Neoprobe's Release of Claims. By signing this Agreement, and except as otherwise set forth below, Neoprobe, on behalf of itself and the other Released Parties, hereby forever releases, waives, and discharges Executive and the other Executive Parties from any and all claims, damages, lawsuits, injuries, liabilities, and causes of action that Neoprobe has or may have, whether known to Neoprobe or not, whether contingent or liquidated, based on or arising from any event, fact, conduct, condition, action, or inaction occurring or existing (in whole or in part) on or before the Termination Date and the Effective Date, except that, notwithstanding anything to the contrary in this Agreement, the releases and waivers by Neoprobe set forth in this Agreement do not apply to (i) any right or claim that Neoprobe may have under Neoprobe's officer and director liability insurance policies, Neoprobe's certificate of incorporation or bylaws, applicable law, or any agreement to which Neoprobe is a party, in connection with any assertion by Executive of any right to or claim for indemnity, (ii) any right or claim that Neoprobe may have under this Agreement, (iii) any right, entitlement or privilege of Neoprobe under Sections 5 or 6 of the Employment Agreement, or under the Proprietary Information Agreement between Executive and Neoprobe dated January 5, 2011 ("Proprietary Information Agreement"), that expressly survives the termination of either such agreement, (iv) any right or claim that Neoprobe may have against Executive arising from or in connection with the assertion or undertaking of any claim, investigation or proceeding by any regulatory or other governmental agency or entity or any third party, or (v) any right that Neoprobe may have to contest any assertion by Executive that his separation from employment and service with Neoprobe occurred as a result of a Change In Control within the meaning of the Employment Agreement, or any other right that Neoprobe may have in connection with any such assertion by Executive.

8. Compliance with Older Workers' Benefit Protection Act. The Parties desire and intend that this Agreement comply with the terms of the Older Workers' Benefit Protection Act. Accordingly, Executive acknowledges that he has been advised of the following rights:

8.1. Executive understands that local, state and federal laws, including the Age Discrimination in Employment Act, prohibit employment discrimination based upon age, sex, race, color, national origin, ethnicity, religion, disability, and other protected classifications. Executive further understands and agrees that, by signing this Agreement, he agrees to waive any and all such claims, and releases the Released Parties from any and all such claims.

8.2. Executive acknowledges that he has been advised by this writing to consult with an attorney and has been provided with a reasonable opportunity to do so prior to signing this Agreement, which contains a general release and waiver of claims.

8.3. Executive acknowledges that he has had at least twenty-one (21) calendar days in which to review and consider this Agreement and to consult with legal counsel with respect thereto. Executive further acknowledges that he has entered into this Agreement voluntarily and of Executive's own free will. Executive acknowledges Executive's right to revoke this Agreement within (7) seven days following the execution hereof by giving timely written notice thereof to Neoprobe. In the event of such revocation, this Agreement shall become null and void and the Parties hereto shall have no rights or obligations hereunder. This Agreement, including any payment or provision of benefits to Executive by Neoprobe under this Agreement, shall not become effective or enforceable until the revocation period has expired. The Parties also agree that any of their discussions, negotiations, or change in terms to this Agreement will not restart the twenty-one (21) day period for Executive to review and consider this Agreement.

9. No Admission by Neoprobe or Released Parties. Executive understands that neither this Agreement nor any action taken under it is or should be construed as an admission by any of the Released Parties that they have violated any local, state or federal law, statutory or common. The Released Parties specifically disclaim any liability to or wrongful acts against Executive or any other person.

10. Confidentiality; Non Competition.

10.1. Confidentiality of Agreement. Executive agrees and acknowledges that the terms and provisions of this Agreement, including the amounts to be paid to Executive, shall be and have been kept in utter, absolute, and strictest confidence, and that Executive has not released and shall never reveal any such information to any individual or entity except that Executive may provide information about this Agreement as follows: (a) as required by any governmental agency or by process of law; (b) to an attorney who is assisting Executive in negotiating this Agreement; (c) to a professional accountant, tax consultant or financial planner with whom Executive has a confidential relationship; and (d) to Executive's immediate family members, which only includes a spouse, parents and siblings residing with Executive, subject, in each case, to each such individual and entity being informed of this confidentiality obligation and agreeing to keep such information confidential. Executive's obligations under this Section 10.1 shall be excused to the extent of any disclosure of this Agreement or its terms made by Neoprobe under the United States federal securities laws.

10.2. Obligations Under Proprietary Information Agreement. Executive acknowledges that as of the Termination Date he has returned to Neoprobe (and will not keep in his possession or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items (whether in magnetic media or otherwise) belonging to Neoprobe, its successors or assigns. Executive agrees to sign and deliver to Neoprobe on or before the Termination Date the "Termination Certification" attached to the Proprietary Information Agreement as Schedule C. Executive acknowledges and agrees that the categories of information described in Section 1 of the Proprietary Information Agreement are solely the property of the Company and constitute trade secrets and confidential information of Neoprobe, and that he has not retained and will not retain any originals, copies, duplications, or reproductions thereof, and that his post-employment obligations under the Proprietary Information Agreement will shall remain binding and in effect in addition to this Agreement.

10.3. Non-Competition. Executive acknowledges and agrees that the provisions of Section 6 of the Employment Agreement shall remain binding and in effect in addition to this Agreement for a period of one (1) year following the Termination Date, and further acknowledges that similar restrictions are imposed under the Consulting Agreement, which will apply during the term of the Consulting Agreement and for a period of one (1) year following the earlier to occur of its termination or the expiration of its term.

11. No Filing of Claims. Executive represents and agrees that Executive has not filed, and will not file at any time hereafter, any complaint, charge, lawsuit or other legal or administrative action against Neoprobe relative to Executive's employment with Neoprobe or separation from employment or service with Neoprobe. Executive, however, maintains the right to file any action for the sole purpose of enforcing rights under this Agreement, based solely on events arising after entering into this Agreement.

12. Taxation. Executive understands and agrees that some of the amounts set forth herein are subject to tax withholdings and FICA. Executive agrees that none of the Released Parties or their representatives or agents have made any other representations or promises about the tax implications of the sums Executive is to receive in connection with the settlement memorialized in this Agreement. Neoprobe shall consult with Executive in determining the proper tax jurisdiction of any payments to be made hereunder and as to whether any withholding is required and will reasonably cooperate with Executive with respect to claims of or against taxing authorities regarding the amount of any required withholding.

13. Nondisparagement. From and after the Termination Date, Neoprobe shall, in all public communications authorized through its normal approval channels, and shall cause its directors and officers at or above the vice president level (during their time of service with Neoprobe), to refrain from intentionally making derogatory or disparaging remarks about Executive, and Executive shall refrain from intentionally making derogatory or disparaging remarks about Neoprobe, in each case whether with respect to employment, business, or financial matters or otherwise.

14. Right to Consult with Attorney and Voluntary Signing. Executive acknowledges that Executive has consulted with an attorney before signing this Agreement, that Executive has read this Agreement carefully, that Executive understands each of its provisions, and that Executive has signed it voluntarily. Executive further acknowledges that Neoprobe has taken no action interfering with any right which Executive has to file any charge, suit, claim or other process with any federal, state, or local judicial or administrative agency or body regarding Executive's employment or retirement or any right to contact or seek the guidance or intervention of any such agency.

15. Compliance. In the event that Executive, or any person, entity, or organization authorized by him, breaches or threatens to breach any of the Executive's obligations and promises made in this Agreement, Neoprobe reserves the right to terminate its payment obligations under this Agreement at any time. In addition, if Neoprobe has to defend or pursue any suit, complaint, claim, and/or injunctive relief as a result of any such breach or threatened breach by Executive, Executive shall be liable to Neoprobe for all damages, reasonable attorneys' fees, expenses, and costs (including investigation and discovery costs) incurred by Neoprobe in connection with the same, as well as for all funds paid to him, or on Executive's behalf, under this Agreement. All such sums shall be paid to Neoprobe upon written notice to Executive demanding the same. This Section 15 shall not apply if the imposition of such liability or the refunding of such amounts (a) is not legally enforceable under Ohio law, or (b) conflicts with the provisions of Section 16 below.

16. Resolution of Disputes. Executive and Neoprobe further agree that all future disputes they may have concerning their obligations under this Agreement will be submitted to binding arbitration, including any disputes over the enforcement of the terms of this Agreement, excepting only potential claims relating to a request for equitable relief from a court of competent jurisdiction to enjoin a violation or threatened violation of this Agreement and to preserve the status quo pending the arbitration proceedings required under this Section 16. If either party contends that they have a claim of any kind against the other, or that any provisions of this Agreement are not being complied with, written notice of alleged non-compliance shall be given to the other party within thirty (30) calendar days of notice of the alleged dispute or non-compliance. Such written notice must be either hand delivered or sent by certified mail to the party's last known address on or before the 30th day. The party receiving such notice shall have five (5) business days from receipt of such written notice to resolve the alleged dispute(s) or non-compliance through mutual efforts of conciliation. The Parties may mutually agree in writing upon additional time to endeavor to resolve the alleged dispute(s) or non-compliance. In the event the Parties are unable to conciliate the dispute(s) or non-compliance within the five (5) business days mentioned above (or within the additional period of time to which the Parties may have mutually agreed), at the conclusion of the five-day business period the Parties agree to submit the dispute(s) or issue(s) of non-compliance to binding arbitration, upon the request of either party if made within sixty (60) calendar days starting with the day after the five-day period ends. The binding arbitration shall be administered by the American Arbitration Association ("AAA") under its Employment Dispute Resolution Arbitration Rules. The arbitration shall take place in Columbus, Ohio. The arbitrator's award shall be accepted as final and binding upon the Parties. The entire arbitration proceeding and any award or decision relating thereto shall be kept completely confidential by AAA, the arbitrator, the Parties and any non-party witnesses. In the event of arbitration instituted under this Agreement, Executive and Neoprobe each shall be responsible for half of the full payment of the arbitrator's fee, as well as the expenses of the arbitration, excluding their own costs and attorney's fees, for which each party shall remain solely responsible. However, the arbitrator has the power to award all or a portion of costs and attorneys' fees to a prevailing party, or to the other party if the arbitrator determines that a party has made a frivolous claim or defense, where the arbitrator decides that such an award is just. In any arbitration instituted under this Agreement, the arbitrator shall have the authority to render a decision in accordance with applicable state and/or federal law and to award any and all appropriate damages including the forfeiture of any monies already paid pursuant to this Agreement, and any other legal or equitable relief, including restitution of the arbitrator's fee to the prevailing party. This agreement to arbitrate may be compelled under the Federal Arbitration Act.

17. Governing Law; Exclusive Jurisdiction and Venue. This agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without reference to its principles of conflicts of laws. Each of the Parties (a) agrees that any legal suit, action or proceeding arising out of or relating to this Agreement, including any action to enforce the provisions of Section 16 or any arbitration award thereunder, shall be instituted exclusively in the Court of Common Pleas of Franklin County, Ohio or in the United States District Court for the Southern District of Ohio, (b) waives any objection which such Party may have now or hereafter to the venue of any such suit, action or proceeding, and (c) irrevocably consents to the jurisdiction of the foregoing named courts in any such suit, action or proceeding. Each of the Parties further agrees to accept and acknowledge service of any and all process which may be served in any suit, action or proceeding in the foregoing courts, and agrees that service of process upon such Party mailed by certified mail to the address of the recipient most recently provided in writing by such Party to the other Party at the time of such service shall be deemed in every respect effective service of process upon the Company in any such suit, action or proceeding. In the event of litigation between the parties arising hereunder, the prevailing party shall be entitled to costs and reasonable attorney's fees.

18. Use of Headings; Entire Agreement; Modifications. The headings in this Agreement have been inserted for convenience of reference only and do not in any way restrict or modify any of its terms or provisions. This Agreement sets forth the entire agreement between the Parties hereto, and there are no inducements or representations, other than those contained in this Agreement, upon which the Parties are relying in executing this Agreement.

19. Severability. All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained therein, and Executive and Neoprobe agree that this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. If any provision of this Agreement is invalid or unenforceable, that invalidity or unenforceability will not affect any of the other terms and conditions contained in this Agreement.

20. Assignment. This Agreement may be freely assigned by Neoprobe, for any purpose, with or without notice, shall inure to the benefit of any successors or assigns of Neoprobe, and shall be binding upon the heirs, executors, and administrators of Executive.

11. Entire Agreement. The Parties hereto agree that this Agreement and the Consulting Agreement constitute the entire agreement between them with respect to Executive's employment with Neoprobe and, except as otherwise provided herein, supersede all prior agreements and understandings existing between them, written or oral, express or implied, whether or not within the knowledge or contemplation of either or both Parties, pertaining to any matter covered by this Agreement. Notwithstanding anything contained herein to the contrary, this Agreement and the Consulting Agreement shall not be deemed to amend, invalidate or in any manner affect the enforceability of Executive's post-termination obligations under the Employment Agreement and the Proprietary Information Agreement referenced in Sections 10.2 and 10.3, and Executive shall continue to be bound by such terms and provisions of such agreements.

21. Effective Date. This Agreement shall become effective after the Parties' execution of this Agreement and the expiration of the seven-day revocation period set forth in Section 8.3 and the following paragraph ("Effective Date").

EXECUTIVE ACKNOWLEDGES THAT HE HAS READ THE FOREGOING SEVERANCE AGREEMENT AND RELEASE, THAT IT IS WRITTEN IN A CLEAR AND UNDERSTANDABLE MANNER, AND HE FULLY UNDERSTANDS ITS TERMS. EXECUTIVE ALSO ACKNOWLEDGES THAT HE WAS GIVEN UP TO TWENTY-ONE (21) CALENDAR DAYS WITHIN WHICH TO CONSIDER THIS AGREEMENT, THAT HE WAS ADVISED TO CONSULT WITH LEGAL COUNSEL PRIOR TO SIGNING THIS AGREEMENT, AND THAT HE HAS THE RIGHT TO REVOKE THIS AGREEMENT, IN WRITING, FOR A PERIOD NOT TO EXCEED SEVEN (7) CALENDAR DAYS AFTER THE DATE ON WHICH IT WAS SIGNED BY HIM. EXECUTIVE FURTHER ACKNOWLEDGES THAT IF HE FAILS TO EXERCISE THIS RIGHT TO REVOKE, THIS AGREEMENT WILL IMMEDIATELY BECOME A BINDING CONTRACT AS TO ITS TERMS. EXECUTIVE NOW VOLUNTARILY SIGNS THIS AGREEMENT ON THE DATE INDICATED, SIGNIFYING HIS AGREEMENT AND WILLINGNESS TO BE BOUND BY ITS TERMS.

IN WITNESS WHEREOF, the Parties hereto have read the foregoing Agreement, understand the same, and agree to all of the provisions contained herein as of the Effective Date.

NEOPROBE CORPORATION

EXECUTIVE

By: /s/ Gordon A. Troup
Gordon A. Troup, Vice Chairman
Date: 3/30/2011

/s/ David C. Bupp
David C. Bupp
Date: 3/30/2011

STATE OF OHIO)
) SS:
COUNTY OF FRANKLIN)

Before me, a Notary Public in and for said County and State, personally appeared the above-named Neoprobe Corporation through , its Vice Chairman , who acknowledged that he has full authority to bind and did sign the foregoing instrument for and on behalf of Neoprobe Corporation, and that the same is the free act and deed of Neoprobe Corporation, and the free act and deed of him as its agent.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Franklin County, Ohio, this 30th day of March, 2011.

/s/ Jean Jerew
Notary Public

STATE OF OHIO)
) ss:
COUNTY OF FRANKLIN)

Before me, a Notary Public in and for said County and State, personally appeared the above-named David C. Bupp, who acknowledged that he did sign the foregoing instrument, and that the same is his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Franklin County, Ohio, this 30th day of March, 2011.

/s/ Jean Jerew
Notary Public

CONSULTING AGREEMENT

This Consulting Agreement ("Agreement") is made by and between David C. Bupp, an individual residing at 10542 Smokehouse Bay Drive, Naples, Florida 43120 ("Consultant"), and Neoprobe Corporation, a Delaware corporation, with principal offices located at 425 Metro Place North, Suite 300, Dublin, OH 43017-1367 ("Company"), who together are sometimes referred to herein as the "Parties."

Recitals

- A. Pursuant to a Separation Agreement and Release between the Parties dated March 30, 2011 ("Separation Agreement"), Consultant has terminated his employment as the President and Chief Executive Officer of the Company.
- B. The Company wishes to retain the services of Consultant as an independent consultant upon the terms and conditions set forth in this Agreement.

Statement of Agreement

In consideration of the foregoing premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

- Engagement.* This Agreement shall take effect on May 1, 2011 (the "Effective Date") provided that the Separation Agreement is in effect on the Effective Date. For a term beginning on the Effective Date and ending January 1, 2012, or the earlier termination of this Agreement pursuant to Section 5, Company hereby engages Consultant and Consultant hereby accepts engagement from Company to provide such services as may be requested by the President and Chief Executive Officer of Company, and other officers of the Company authorized by its Board of Directors ("Authorized Officers"), including advice and assistance to the Company in connection with its present and anticipated operations, clinical programs and financial affairs, and to provide such other services as an Authorized Officer may from time to time reasonably request. Consultant shall use good faith efforts to respond to requests for his services under this Agreement in a timely, responsive and efficient manner; *provided however*, that the Company acknowledges that Consultant shall be expected to provide services under this Agreement only on a part-time basis and upon reasonable advance notice from the Company. Consultant acknowledges and agrees that he is not an agent of the Company or any of its affiliates, and except as may be expressly authorized or directed by an Authorized Officer, Consultant is not authorized to, and shall not, have any contact with the Company's or its affiliates' employees, suppliers, vendors or other persons with respect to the business or other affairs of the Company or its affiliates, and Consultant is not authorized to take any actions binding upon or in the name of the Company or any of its subsidiaries or affiliates.
-

2. *Compensation of Consultant.* As compensation for the services to be performed by Consultant and in exchange for his obligations under the noncompete, nonsolicitation and confidentiality provisions of this Agreement, the Company shall pay to Consultant a consulting fee at the rate of \$8,000.00 per month for up to five (5) days of consulting services during such month, which will be paid on the last day of each calendar month during the term of this Agreement. If specifically requested in writing by an Authorized Officer to perform more than five days per month of consulting services, Consultant will be paid at a daily rate of \$2,000 per day, which will be invoiced to the Company and paid within fifteen days of presentation of an invoice with supporting documentation. In addition to cash compensation, the Company agrees to reimburse Consultant from time to time for reasonable out-of-pocket expenses incurred by Consultant in connection with the services performed under this agreement, provided, however, that Consultant shall not incur any expense in excess of \$500 in any monthly period without prior written authorization of an Authorized Officer. Consultant's travel shall be consistent with the travel policies of the Company. These expenses include but are not limited to airfare, hotel lodging, meals, transportation, and overnight express mail. Consultant shall render a monthly itemized statement detailing the expense reimbursements due hereunder, accompanied by copies of receipts for all expenses.
3. *Confidentiality.*
- (a) The Company is prepared to make available to Consultant certain information concerning the business, financial condition, operations, assets and liabilities, or other internal and confidential business information of the Company in connection with the performance of his duties hereunder. As a condition to such information being furnished to Consultant, Consultant agrees to treat any information concerning the Company (whether prepared by the Company, its officers, advisors, Board of Directors, or otherwise and irrespective of the form of communication) which is furnished to Consultant now or in the future by or on behalf of the Company (herein collectively referred to as the "Confidential Information") in accordance with the provisions of this Agreement, and to take or abstain from taking certain other actions hereinafter set forth. The term "Confidential Information" also shall be deemed to include all notes, analyses, compilations, studies, interpretations or other documents prepared by Consultant, which contain, reflect or are based upon, in whole or in part, the information furnished to Consultant, pursuant hereto. The term "Confidential Information" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by Consultant, or (ii) becomes available to Consultant on a non-confidential basis from a source other than the Company (including the Company's directors, officers, employees or agents), or any of its attorneys, accountants, investors, consultants, bankers and financial advisors, provided that such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the Company or any other party with respect to such information.

- (b) Consultant hereby agrees that Consultant shall use the Confidential Information solely for the purpose of rendering the services contemplated by this Agreement, that the Confidential Information will be kept confidential and that Consultant and will not disclose any of the Confidential Information in any manner whatsoever; provided, however, that Consultant may make any disclosure of such information to which the Company gives its prior written consent. Consultant acknowledges that the Confidential Information may contain material nonpublic information about the Company, and that he is aware that the U.S. securities laws prohibit a person in possession of material nonpublic information of a company from purchasing or selling securities of that company, or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

4. *Noncompetition and Nonsolicitation.*

- (a) Consultant agrees that during the term of this Agreement and for a period of one (1) year thereafter, Consultant will not (i) enter into the employ of or render any services or advice to any person, firm, or corporation, which is engaged, in any part, in a Competitive Business (as defined below); (ii) engage in any Competitive Business for his own account; (iii) become associated with or interested in, through contract, retention, by employment or otherwise, any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor, or in any other relationship or capacity; (iv) solicit, interfere with, or endeavor to entice away from the Company, any of its customers, strategic partners, investors, or sources of supply; or (v) hire any person who is an employee of the Company or any subsidiary or affiliate, or otherwise induce or attempt to induce any employee of the Company or any subsidiary or affiliate to leave the employ of the Company or such entity, or in any way interfere with the relationship between the Company or any subsidiary or affiliate and any employee thereof.
- (b) Nothing in this Agreement shall preclude Consultant 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 Agreement shall mean any business or enterprise which (i) is engaged in the development and/or commercialization of products, services and/or systems (including medical devices and pharmaceuticals) in the United States or the European Union for use in intraoperative detection of cancer; or (ii) is reasonably understood to be competitive in the relevant market with products and/or systems described in clause (i) of this Section 4(b).
- (c) Consultant acknowledges that the limitations contained in this Section 4 are an essential term and consideration for the execution of this Agreement by the Company and that the time and geographic limitations are reasonable and necessary to protect the Company and its business interests. The Company shall be entitled to injunctive relief, damages, reasonable attorneys' fees and expenses in connection with any legal or equitable action by the Company in connection with a breach or threatened breach by Consultant of Sections 3 or 4 of this Agreement.

5. *Termination.* The obligation of Consultant to provide services under this Agreement, and the Company's obligation to provide compensation to Consultant under this Agreement, shall terminate upon the first to occur of the following: (a) January 1, 2012; or (b) the death or permanent disability of Consultant. In addition, this Agreement may be terminated by Consultant at any time by giving thirty (30) days prior written notice of termination. This Agreement may be immediately terminated by the Company if the Consultant: (x) is formally charged with a felony (other than a traffic offense), or any crime involving moral turpitude, that in the reasonable good faith judgment of the Board of Directors of the Company, would result in material damage to the Company or its reputation, or would materially interfere with the performance of Consultant's obligations under this Agreement; (y) engages in acts of fraud, embezzlement, theft or other material dishonesty directed against the Company; or (z) materially breaches any duty or obligation of Consultant under this Agreement that is not cured to the Company's reasonable satisfaction within 5 business days after written notice thereof by the Company. In the event of such termination by the Company all payments to Consultant under this Agreement shall cease at the time of termination, and the Company shall have no further obligations to Consultant hereunder.
6. *Notices.* All notices required or permitted herein must be in writing and shall be deemed to have been duly given the first business day following the date of service if served personally, on the first business day following the date of actual receipt if delivered by email, telecopier, telex or other similar communication to the party or Parties to whom notice is to be given, or on the third business day after mailing if mailed to the party or Parties to whom notice is to be given by registered or certified mail, return receipt requested, postage prepaid, to the Consultant and to the Company at the addresses set forth below, or to such other addresses as either party hereto may designate to the other by notice from time to time for this purpose.

Consultant: David C. Bupp
10542 Smokehouse Bay Drive, Unit #202
Naples, FL 34120
email: dbupp0609@yahoo.com

Company: Neoprobe Corporation
425 Metro Place North, Suite 300
Dublin, OH 43017-1367
Attention: Dr. Mark J. Pykett, President & CEO
email: mpykett@neoprobe.com

7. *Assignment; Binding Effect.* This Agreement, being personal to Consultant, may not be assigned by Consultant. This Agreement may be assigned by the Company to any entity that acquires substantially all of the assets and business of the Company, whether by merger, acquisition of equity securities, or acquisition of assets. This Agreement shall be binding upon the Parties and their respective legal successors and permitted assigns.
8. *Independent Contractor.* Consultant shall have no authority to bind Company, or any of its subsidiaries or affiliates, to any agreement or obligation. The Parties will be deemed to have the relationship of independent contractors to each other, and nothing in this Agreement will be deemed to place the Parties in the relationship of employer-employee, principal-agent, partners or joint venturers.
9. *Governing Law and Venue.* This agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without reference to its principles of conflicts of laws. Each of Consultant and the Company (a) agrees that any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted exclusively in the Court of Common Pleas of Franklin County, Ohio or in the United States District Court for the Southern District of Ohio, (b) waives any objection which such party may have now or hereafter to the venue of any such suit, action or proceeding, and (c) irrevocably consents to the jurisdiction of the foregoing named courts in any such suit, action or procedure. Each of the Company and Consultant further agrees to accept and acknowledge service of any and all process which may be served in any suit, action or proceeding in the foregoing courts, and agrees that service of process upon the Company or Consultant mailed by certified mail to the address of the recipient otherwise appearing in this Agreement shall be deemed in every respect effective service of process upon the Company in any such suit, action or proceeding.
10. *Equitable Relief.* Consultant agrees that money damages would not be a sufficient remedy for any breach or threatened breach by Consultant of Sections 3 and 4 of this Agreement and that the Company shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach, and Consultant further agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement, but shall be in addition to all other remedies available to the Company at law or equity.
11. *Construction.* The captions contained in this Agreement are for convenience of reference only and are not to be considered in construing this Agreement. The language of this Agreement shall be construed as to its fair meaning and not strictly for or against any party.
12. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and there are no representations, warranties or agreements between the Parties, which are not expressed herein. This Agreement supersedes and replaces all prior understandings and agreements between the Parties hereto, whether written or oral, expressed or implied, with respect to its subject matter, it being understood and agreed, however, that this Agreement does not supersede or replace the Separation Agreement, which shall remain in full force and effect pursuant to its terms.

13. *Amendment.* This Agreement may not be amended, modified, superseded, canceled or terminated, and any of the matters, covenants, representations, warranties or conditions hereof may not be waived, except by written instrument executed by the Parties hereto or, in the case of a waiver, by the party to be charged with such a waiver.
14. *Severability.* The provisions of this Agreement are independent of and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part. Further, if a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable as written, such court may interpret, construe, rewrite or revise such provision, to the fullest extent allowed by law, so as to make it valid and enforceable consistent with the intent of the Parties hereto.
15. *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed an original agreement, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement by facsimile transmission (including the delivery of documents in Adobe PDF format) shall constitute execution and delivery of this Agreement for all purposes, with the same force and effect as execution and delivery of an original manually signed copy hereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the Effective Date.

CONSULTANT

COMPANY

Neoprobe Corporation

By: /s/ David C. Bupp
David C. Bupp

By: /s/ Gordon A. Troup
Gordon A. Troup, Vice Chairman

Date: 3/30/2011

Date: 3/30/2011

EMPLOYMENT AGREEMENT

This Employment Agreement is made and entered into effective as of April 15, 2011, (the "Effective Date"), by and between **Neoprobe Corporation**, a Delaware Corporation with a place of business at 425 Metro Place North, Suite 300, Dublin, Ohio 43017-1367 (the "Company") and **Mark J. Pykett** of Boxford, MA (the "Employee").

WHEREAS, the Company and the Employee entered into an employment agreement effective as of November 15, 2010; 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 Executive Officer of the Company and in such equivalent or additional executive level position or positions as shall be assigned to him by the Company's 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 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 of this Employment Agreement.** Subject to Sections 4 and 5 hereof, the Term of this Employment Agreement shall be for a period commencing on the Effective Date and terminating on the earlier of (i) thirty-six (36) months from the Effective Date in the event that Employee relocates his principal residence to the greater Columbus Ohio metropolitan area within nine (9) months of the Effective Date, or (ii) eighteen (18) months from the Effective Date in the event that Employee does not relocate his principal residence to the greater Columbus Ohio metropolitan area within nine (9) months of the Effective.
-

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 of this Employment Agreement, the Company shall pay the Employee a salary of Three Hundred Twenty-Five Thousand Dollars (\$375,000) per year, payable in semi-monthly or monthly installments as requested by the Employee. The Committee (as hereinafter defined) shall review the Employee's annual salary on an annual basis and may increase, but not decrease, the salary at its discretion.
 - B. **Bonus.** The Compensation, Nominating and Governance Committee (the "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 Committee, which covers the executive officers and employees of the Company generally. For the calendar year ending December 31, 2011, the Committee has determined that the maximum bonus payable to the Employee will be One Hundred Twelve Thousand Five Hundred Dollars (\$112,500) prorated based upon the number of weeks you are employed in 2011. The Employee shall be eligible for the payment of the appropriate portion of the bonus for the calendar year ending December 31, 2011 in the event the employment of the Employee is terminated after December 31, 2011 for any reason other than a termination "for cause" as such term is defined below. Any bonus payment to Employee for the calendar year ending December 31, 2011 will be consistent with the guidelines established by the Committee for other officer employees of the Company for the payment of any bonus to officer employees of the Company. Any bonus earned in any calendar year will be payable in the first calendar quarter of the following calendar year.
 - 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 Committee of the Board of Directors may, from time to time, grant stock options, restricted stock purchase opportunities and such other forms of equity-based incentive compensation as it deems appropriate, in its discretion, to the Employee under the Company's Third Amended and Restated 2002 Stock Incentive Plan (the "Stock Plan"). 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. **Vacation.** The Employee shall be entitled to twenty (20) days of vacation during each calendar year during the Term of this Employment Agreement.
 - F. **Expenses.** The Company shall reimburse the Employee for all reasonable out-of-pocket expenses incurred by him in the performance of his duties hereunder, including expenses for travel, entertainment and similar items, promptly after the presentation by the Employee, from time-to-time, of an itemized account of such expenses.
 - G. **Clawback Policy.** The Company's obligation to pay any bonus or stock-based incentive compensation under paragraphs B. or D. of this Section 3, and the Employee's right to receive or retain such compensation, shall be subject to any policy adopted by the Board of Directors or its Compensation, Nominating and Governance Committee (or any successor committee of the Board of Directors with authority over executive compensation) pursuant to the "clawback" provisions of Section 304 of the Sarbanes-Oxley Act of 2002, Section 10D of the Securities Exchange Act of 1934, or regulations promulgated thereunder, or pursuant to any rule of any national securities exchange on which the equity securities of the Company are listed implementing Section 10D of the Securities Exchange Act of 1934, or regulations promulgated thereunder.
-

4. Termination.

- A. For Cause.** The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement “for cause.” Termination “for cause” shall be defined as a termination by the Company of the employment of the Employee occasioned by:
- i. the failure by the Employee to cure a willful breach of a material duty imposed on the Employee under this Employment Agreement or any other written agreement between Employee and the Company within 15 days after written notice thereof by the Company;
 - ii. the continuation by the Employee after written notice by the Company of a willful and continued neglect of a duty imposed on the Employee under this Employment Agreement;
 - iii. acts by Employee of fraud, embezzlement, theft or other material dishonesty directed against Neoprobe;
 - iv. the Employee is formally charged with a felony (other than a traffic offense), or a crime involving moral turpitude, that in the reasonable good faith judgment of the Board of Directors, results in material damage to the Company or its reputation, or would materially interfere with the performance of Employee’s obligations under this Employment Agreement; or
 - v. any condition which either results from the Employee’s substantial dependence, as reasonably determined in good faith by the Board of Directors, on alcohol, or on any narcotic drug or other controlled or illegal substance.

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.

- B. Resignation.** If the Employee resigns for any reason, all salary, benefits and other payments (except as otherwise provided in paragraph G of this Section 4 below) shall cease at the time such resignation becomes effective. At the time of any such resignation, the Company shall pay the Employee the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

- C. Disability, Death.** 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 or a similar job 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 for a period of at least Six (6) months. 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. Any requested 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 C shall not be deemed to be a termination for cause.

If during the Term of this Employment Agreement, the Employee dies or his employment is terminated because of his disability, 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 the longer of Twelve (12) months after such termination or the full unexpired Term of this Employment Agreement on the same terms and conditions (including cost) as were applicable before such termination. In addition, for the first six (6) months of any disability that results in the Employee being unable to perform any gainful activity, 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. At the time of any such termination, the Company shall pay the Employee, the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

Notwithstanding the foregoing, if the Company reasonably determines that any of the benefits described in this paragraph C may not be exempt from federal income tax, then for a period of six (6) months after the date of the Employee's termination, the Employee shall pay to the Company an amount equal to the stated taxable cost of such coverages. After the expiration of the six-month period, the Employee shall receive from the Company a reimbursement of the amounts paid by the Employee.

- D. Termination without Cause.** A termination "without cause" is a termination of the employment of the Employee by the Company that is not "for cause" and not occasioned by the resignation, death or disability of the Employee. If the Company terminates the employment of the Employee without cause (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 below, after the Term of this Employment Agreement has ended), the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination and shall provide him with all benefits to which he is entitled under paragraph C of Section 3 above for Eighteen (18) months or the full unexpired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

If the Company terminates the employment of the Employee because it has ceased to do business or substantially completed the liquidation of its assets or because it has relocated to another city and the Employee has decided not to relocate also, such termination of employment shall be deemed to be without cause.

- E. End of the Term of this Employment Agreement.** Except as otherwise provided in paragraphs F and G of this Section 4 below, the Company may terminate the employment of the Employee at the end of the Term of this Employment Agreement without any liability on the part of the Company to the Employee but, if the Employee continues to be an employee of the Company after the Term of this Employment Agreement ends, his employment shall be governed by the terms and conditions of this Agreement, but he shall be an employee at will and his employment may be terminated at any time by either the Company or the Employee without notice and for any reason not prohibited by law or no reason at all. If the Company terminates the employment of the Employee at the end of the Term of this Employment Agreement, the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any reasonable expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.
-

- F. **Severance.** If the employment of the Employee is terminated by the Company at the end of the Term of this Employment Agreement, or if the employment of the Employee is terminated by the Company without cause (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 above, after the Term of this Employment Agreement has ended), then the Employee shall be paid, as a severance payment at the time of such termination: (i) in the event that Employee has relocated his principal residence to the greater Columbus Ohio metropolitan area within nine (9) months of the Effective Date of this Employment Agreement, Seven Hundred Fifty Thousand Dollars (\$750,000), or (ii) in the event that Employee has not relocated his principal residence to the greater Columbus Ohio metropolitan area within nine (9) months of the Effective Date, the amount of Four Hundred Sixty-eight Thousand Seven Hundred Fifty Dollars (\$468,750), in each case together with the value of any accrued but unused vacation time.
- G. **Change of Control Severance.** In addition to the rights of the Employee under the Company's employee benefit plans (paragraphs C of Section 3 above) but in lieu of any severance payment under paragraph F of this Section 4 above, if there is a Change in Control of the Company (as defined below) during the Term and within six (6) months thereafter, 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, that his services are no longer required in light of the Company's business plan, or the Company has breached this Employment Agreement, the Company shall pay the Employee, as a severance payment, at the time of such termination, the amount of Nine Hundred Thirty-Seven Thousand Five Hundred Dollars (\$937,500) together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of termination and shall provide him with all of the Employee benefits under paragraph C of Section 3 above for the longer of Twelve (12) months or the full unexpired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above. Notwithstanding the foregoing, before the Employee may resign pursuant to Section 4(G)(c) above, the Employee shall deliver to the Company a written notice of the Employee's intent to terminate his employment pursuant to Section 4(G)(c), and the Company shall have been given a reasonable opportunity to cure any such act, omission or condition within Thirty (30) days after the Company's receipt of such notice. The provisions of this Section 4.H. shall not apply, and Employee shall not be entitled to any compensation hereunder, in the event that a Change of Control occurs at any time following nine (9) months from the Effective Date, and Employee has not relocated his principal residence to the greater Columbus Ohio metropolitan area within nine (9) months of the Effective Date.

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 G to mean any person within the meaning of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than Neoprobe, an employee benefit plan created by its Board of Directors for the benefit of its employees, or a participant in a transaction approved by its Board of Directors for the principal purpose of raising additional capital, either directly or indirectly, or an Affiliate of such participant, 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 thirty percent (30%) 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: (i) 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, or (ii) a transfer following which Neoprobe continues the operation of one or more lines of business that were operated by Neoprobe prior to the transfer, and a class of common stock of Neoprobe remains registered under Section 12 of the Securities Exchange Act of 1934. The parties hereto agree that for the purpose of determining the time when a Change of Control has occurred that if any transaction results from a definite proposal that was made before the end of the Term of this Employment Agreement but which continued until after the end of the Term of this Employment Agreement and such transaction is consummated after the end of the Term of this Employment Agreement, such transaction shall be deemed to have occurred when the definite proposal was made for the purposes of the first sentence of this paragraph G of this Section 4. Notwithstanding the foregoing, before the Employee may resign pursuant to Section 4(G)(c) above, the Employee shall deliver to the Company a written notice of the Employee's intent to terminate his employment pursuant to Section 4(G)(c), and the Company shall have been given a reasonable opportunity to cure any such act, omission or condition within thirty (30) days after the Company's receipt of such notice.

- H. Benefit and Stock Plans.** In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions concerning termination of employment, or 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 the benefits or stock options.
- 5. 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.
- 6. Non-Competition.** Employee agrees that for so long as he is employed by the Company under this Employment Agreement and for one (1) year 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 directly 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 or 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 intraoperative detection of 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 6 shall terminate immediately upon the substantial completion of the liquidation of assets of the Company or the termination of the employment of the Employee by the Company without cause or at the end of the Term of this Employment Agreement.

7. **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 non-union employment arbitration rules of the American Arbitration Association ("AAA") then in effect. If specific non-union 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 C of Section 4 above or under this sentence; without regard to the success of the Employee or his attorney in any such arbitration or proceeding.
 8. **Attorneys' Fees and Expenses.** Except as otherwise provided in Section 7, in the event that any action, suit, or other legal or equitable proceeding is brought by either party to enforce the provisions of this Employment Agreement, or to obtain money damages for the breach thereof, then the party which substantially prevails in such action (whether by judgment or settlement) shall be entitled to recover from the other party all reasonable expenses of such litigation (including any appeals), including, but not limited to, reasonable attorneys' fees and disbursements.
 9. **Waiver of Jury Trial.** EMPLOYEE AND NEOPROBE HEREBY WAIVE THE RIGHT TO A TRIAL BY JURY IN THE EVENT OF ANY DISPUTE WHICH ARISES UNDER THIS AGREEMENT.
 10. **Governing Law.** The Employment Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to its conflicts of laws principles.
 11. **Jurisdiction; Service of Process.** Any action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the state or federal courts located in Franklin County, Ohio, and each of the parties irrevocably submits to the jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Employment Agreement in any other court. The parties agree that either or both of them may file a copy of this Section with any court as written evidence of the knowing, voluntary and bargained agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this section may be served on any party anywhere in the world
-

12. **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.
 13. **Compliance with Section 409A of the Internal Revenue Code.** If, when the Employee's employment with the Company terminates, the Employee is a "specified employee" as defined in Section 409A(a)(1)(B)(i) of the Internal Revenue Code, and if any payments under this Employment Agreement, including payments under Section 4, will result in additional tax or interest to the Employee under Section 409A(a)(1)(B) ("Section 409A Penalties"), then despite any provision of this Employment Agreement to the contrary, the Employee will not be entitled to payments until the earliest of (a) the date that is at least six months after termination of the Employee's employment for reasons other than the Employee's death, (b) the date of the Employee's death, or (c) any earlier date that does not result in Section 409A Penalties to the Employee. As soon as practicable after the end of the period during which payments are delayed under this provision, the entire amount of the delayed payments shall be paid to the Employee in a lump sum. Additionally, if any provision of this Employment Agreement would subject the Employee to Section 409A Penalties, the Company will apply such provision in a manner consistent with Section 409A of the Internal Revenue Code during any period in which an arrangement is permitted to comply operationally with Section 409A of the Internal Revenue Code and before a formal amendment to this Employment Agreement is required. For purposes of this Agreement, any reference to the Employee's termination of employment will mean that the Employee has incurred a "separation from service" under Section 409A of the Internal Revenue Code of 1986, as amended, and any guidance thereunder.
 14. **Entire Agreement.**
 - A. The 2010 Employment Agreement is terminated as of the effective date of this Employment Agreement, except that awards under the Stock Plan granted to the Employee in the 2010 Employment Agreement remain in full force and effect.
 - 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.
 15. **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/ Gordon A. Troup
Gordon A. Troup
Vice Chairman of the Board of Directors

/s/ Mark J. Pykett
Mark J. Pykett

Exhibit A

Chairman, ImmuMed Technologies

Director, Talaris Advisors

Director, ADVENTRX Pharmaceuticals

RELOCATION AGREEMENT

This Relocation Agreement (“Agreement”), is entered into by and between Neoprobe Corporation, an Ohio corporation (“Neoprobe”) and Mark J. Pykett, individually (“Employee”).

WHEREAS, Neoprobe has made an offer of employment to Employee, as described in a separate offer letter (the “Offer Letter”) dated March 18, 2011, and such Offer Letter has been signed and accepted by Employee prior to the execution of this Agreement;

WHEREAS, Employee is required to carry out his employment duties primarily in the greater Columbus, Ohio metropolitan area;

WHEREAS, in the event Employee relocates his primary residence to the greater Columbus, Ohio metropolitan area, Neoprobe will reimburse Employee for certain costs related to such relocation, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and for good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, Neoprobe and Employee agree as follows:

1. **Moving Expenses.** Neoprobe shall reimburse Employee for the expenses specifically described below.

(a) **Household Goods.** Reasonable costs of moving Employee’s and his immediate family’s household goods and other personal property, including the costs of packing, unpacking, insurance and storage charges (storage charges, if any, must be pre-approved by Neoprobe and will not exceed nine months). Items that cost less to replace than to move (i.e., in-ground basketball hoop and backboard, firewood, etc.) are not covered. Cars, boats, and other large vehicles are not covered. The total amount of reimbursement for all items described in this Section 1(a) combined shall not exceed \$20,000.

(b) **Temporary Housing.** Reasonable rental costs of a hotel room, apartment, or other rental accommodation, pre-approved by Neoprobe, in the greater Columbus, Ohio metropolitan area. Subject to the reimbursement limitation in (1) above, you are entitled to such temporary housing expenses until January 15, 2012. You are expected to make every effort to move your primary residence into permanent housing within this time period.

(c) **Search for Permanent Housing.** Reasonable hotel and travel costs for Employee and Employee’s immediate family, pre-approved by Neoprobe, incurred in traveling to and from the greater Columbus, Ohio metropolitan area to Employee’s current primary residence, if incurred pursuant to Employee’s search for a new primary residence. This includes reasonable taxicab fare and meal expenses.

(d) The total amount of reimbursement for all items described in Sections 1(b) and 1(c) combined shall not exceed \$10,000.

2. **Real Estate Closing Costs.** Neoprobe shall reimburse Employee for the expenses specifically described below. The total amount of reimbursement for all items described in this Section 2 combined shall not exceed \$25,000.

(a) **Closing Costs and Other Sale- Related Costs for Sale of Existing Primary Residence.** Reasonable and customary residential real estate closing costs incurred by Employee pursuant to the sale of Employee's existing primary residence. Other Sale-Related Costs reimbursed include transfer taxes, conveyance fees, broker commissions, pro-ration of real estate taxes, money paid to a lender to lock in interest rate points, and appraisal fees.

(b) **Closing Costs for Purchase of New Primary Residence.** Reasonable and customary residential real estate purchase closing costs incurred by Employee purchase to the purchase of a new primary residence in the greater Columbus, Ohio metropolitan area. Other Purchase-Related Costs reimbursed include transfer taxes, conveyance fees, broker commissions, pro-ration of real estate taxes, money paid to a lender to lock in interest rate points, and appraisal fees.

3. **Loss on Sale of Existing Primary Residence.** Upon the execution of this Agreement, Employee shall retain a third party appraiser to appraise the value of Employee's current primary residence at Neoprobe's expense. Neoprobe shall reimburse Employee for actual loss incurred on the sale of Employee's current primary residence, in an aggregate amount not to exceed \$20,000. For purposes of this Section 2, "actual loss" shall be the difference between the appraised value (as determined by one or more independent appraisals performed by experts reasonably satisfactory to the Company and the Employee) and the gross sales price (provided, however, that the gross sales price must be less than the appraised value).

4. **Aggregate Cap on Reimbursements.** Total relocation expenses reimbursed to Employee by Neoprobe for all items in Sections 1, 2, and 3 above combined shall not exceed \$75,000; provided, however, that this Section 4 shall not increase or otherwise alter the category-specific maximum reimbursement amounts separately described in each such section. This amount shall include (and is not in addition to) any tax or other withholding from any reimbursements made to Employee that Neoprobe is required to perform under applicable law.

5. **Documentation of Relocation Expenses.** No expense described above will be reimbursed by Neoprobe without Employee submitting documentation suitable to Neoprobe establishing the nature and amount of the expense (receipts for items described in Section 1 above, final real estate transaction documents for items described in Sections 2 and 3 above, provided, however, that Neoprobe may also request other available documentation). To be reimbursed, expenses and supporting documentation must be submitted within 30 days after they are incurred.

Neoprobe may, in its sole discretion, reject any unreasonable portion of any submitted expense. Approved expenses will be reimbursed in United States dollars.

6. **No Other Expenses Reimbursed.** Neoprobe shall not reimburse any Employee expenses that are not specifically described in this Agreement. Such non-eligible expenses include but are not limited to costs or loss associated with the sale of vehicles, travel expenses for non-immediate family, costs or loss associated with sale or rental of any Employee non-primary residence, marketing costs for sale of Employee's current primary residence, and transitional private educational expenses for school-age children of Employee.

7. **Other Obligations of Employee.** If Employee resigns from his employment or otherwise voluntarily stops working for Neoprobe before October 15, 2011, Employee shall be required to remit to Neoprobe 50% of expenses reimbursed pursuant to this Agreement. Such payment shall be made by Employee to the designated bank account of Neoprobe no later than 30 days after Employee's resignation or last day of work with Neoprobe, whichever is later.
8. **Entire Agreement.** This Agreement constitutes the entire Agreement between the parties with respect to the subject matter contained in this Agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter contained in this Agreement.
9. **Amendment and Waiver.** This Agreement may be amended, and observance of any term of this Agreement may be waived, only with the written consent of both parties.
10. **Counterparts and Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement. Also, any parties' facsimile signature or signature forwarded by e-mail or PDF will be deemed an original signature to this Agreement.
11. **Severability.** All provisions contained in this Agreement are severable, and the invalidity or unenforceability of any provisions shall not affect or impair the validity or enforceability of the remaining provisions of this Agreement.
12. **Headings.** The descriptive headings of the sections of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

IN WITNESS WHEREOF, Neoprobe and Employee have executed this Agreement as of the date either of the parties has last executed this Agreement.

NEOPROBE CORPORATION

By: /s/ Gordon A. Troup

Gordon A. Troup,
Vice Chairman of the Board of Directors

Date: 3/30/2011

EMPLOYEE

/s/ Mark J. Pykett

Mark J. Pykett, Individually

Date: 3/29/2011

IMMEDIATE RELEASE

March 30, 2011



**Neoprobe Announces Retirement of David Bupp and Appointment of Mark Pykett
as President and CEO Effective April 15th**

-- Conference Call Scheduled for 9:00 AM ET, Thursday, March 31st --

DUBLIN, OH, March 30, 2011 -- Neoprobe Corporation (NYSE Amex: NEOP), a diversified developer of innovative oncology surgical and diagnostic products, announced today that President and Chief Executive Officer (CEO) David Bupp will retire from the Company effective April 15th. The Company's Board of Directors appointed Dr. Mark Pykett the new President and CEO, effective April 15th. Dr. Pykett will also be nominated to the Neoprobe Board of Directors. Mr. Bupp will remain on the Neoprobe Board of Directors and continue to assist the Company through the final stages of commercialization of Lymphoseek[®] and other product development activities as a consultant.

"A little more than 12 years ago, I began my tenure as CEO of Neoprobe Corporation, and I am proud to have been part of building a stronger, more diversified company well positioned for future opportunities," said Mr. Bupp. "We have achieved this due to the efforts and support of our employees, suppliers, distributors, customers and investors, and I take this opportunity to thank them for their contributions. We have guided the Company toward a new chapter with the pending release of Phase 3 NEO3-09 clinical data and the filing of the New Drug Application (NDA) for Lymphoseek. In addition, development activities for the RIGS[®] technology have been reactivated. Now is the appropriate time for me to turn over the leadership of the Company to Dr. Mark Pykett -- an outstanding choice who has my full and enthusiastic support."

"It is with enormous gratitude that the Board accepts David's decision to retire as Neoprobe's CEO," said Carl Aschinger, Chairman of the Board of Neoprobe. "David led Neoprobe through periods of exceptional challenge and transformed the Company. Thanks to his leadership and the efforts of Neoprobe employees, our Company has established itself as a leader in cancer diagnostics. More importantly, during David's tenure as CEO, Neoprobe helped improve patient care, and ultimately the lives, of tens of thousands of patients with cancer. On behalf of the Board, I would like to recognize and thank David for these and so many other accomplishments."

Dr. Pykett, 47, has served as Executive Vice President and Chief Development Officer of Neoprobe since November 2010. Prior to joining Neoprobe, Dr. Pykett served as Founding CEO of Talaris Advisors LLC, a strategic drug-development company serving the biotech industry, from 2009 to November 2010. Prior to Talaris, Dr. Pykett was President and Chief Operating Officer of Alseres Pharmaceuticals, Inc. (formerly Boston Life Sciences, Inc.), President and a Director of CyGenics, President of Cordlife, and President and Chief Executive Officer and a Director of Cytomatrix. Dr. Pykett has also served as a Director of ADVENTRX Pharmaceuticals since 2004 and currently serves on the Boards of Directors of several private and not-for-profit organizations. Dr. Pykett also was an adjunct lecturer in cancer biology at Harvard University's School of Public Health and served on Northeastern University's Center for Enterprise Growth Corporate Advisory Board. Dr. Pykett graduated Phi Beta Kappa, summa cum laude from Amherst College, earned a veterinary degree, Phi Zeta, summa cum laude, and a Ph.D. in molecular biology from the University of Pennsylvania and holds an M.B.A., Beta Gamma Sigma, from Northeastern University. In addition, Dr. Pykett completed post-doctoral fellowships at the University of Pennsylvania and Harvard University.

- more -

NEOPROBE CORPORATION

ADD – 2

"I came to Neoprobe because of its potential for business success and the opportunity to improve the care that patients with specific cancers receive. This is a company with great products and technologies, outstanding people and a rich product pipeline poised to create substantial future growth," said Pykett. "I look forward to leading the Neoprobe team and building on the impressive record of delivering important diagnostic medical solutions to patients and physicians with a commitment to creating value for health professionals, our employees and shareholders."

"Mark is an extremely capable leader with extensive experience in biotechnology development. We are confident he offers the right combination of experience, results and talents for Neoprobe going forward. His proven track record in leadership positions has prepared him well for this role," said Mr. Aschinger. "We look forward to working with Mark and the Neoprobe executive team as the Company prepares to make tremendous business strides in 2011 and beyond."

Mr. Bupp and Dr. Pykett will host an investor conference call at 9:00 a.m. (ET) tomorrow, Thursday, March 31st. The conference call can be accessed as follows:

Conference Call Information

TO PARTICIPATE LIVE:		TO LISTEN TO A REPLAY:	
Date:	Mar. 31, 2011	Available until:	April 14, 2011
Time:	9:00 AM ET	Toll-free (U.S.) Dial in # :	(877) 660-6853
		International Dial in # :	(201) 612-7415
Toll-free (U.S.) Dial in # :	(877) 407-8033	Replay passcode:	
International Dial in # :	(201) 689-8033	Account #:	286
		Conference ID #:	369934

Contacts:

Neoprobe Corporation -- Brent Larson, Sr. VP & CFO – (614) 822-2330

Investor Relations – Michael Rice, LifeSci Advisors -- (201) 408-4923

Public Relations/Media Relations – Mark Marmur, Makovsky & Co. -- (212) 508-9670

About Neoprobe

Neoprobe is a biomedical company focused on enhancing oncology patient care and improving patient benefit. Neoprobe currently markets the neoprobe® GDS line of gamma detection systems that are widely used by cancer surgeons. In addition, Neoprobe holds significant interests in the development of related biomedical systems and radiopharmaceutical agents including Lymphoseek® and RIGScan™ CR. Neoprobe's subsidiary, Cira Biosciences, Inc., is also advancing a patient-specific cellular therapy technology platform called ACT. Neoprobe's strategy is to deliver superior growth and shareholder return by maximizing its strong position in gamma detection technologies and diversifying into new, synergistic biomedical markets through continued investment and selective acquisitions. www.neoprobe.com

- more -

NEOPROBE CORPORATION

ADD – 3

The Private Securities Litigation Reform Act of 1995 (the Act) provides a safe harbor for forward-looking statements made by or on behalf of the Company. Statements in this news release, which relate to other than strictly historical facts, such as statements about the Company's plans and strategies, expectations for future financial performance, new and existing products and technologies, anticipated clinical and regulatory pathways, and markets for the Company's products are forward-looking statements within the meaning of the Act. The words "believe," "expect," "anticipate," "estimate," "project," and similar expressions identify forward-looking statements that speak only as of the date hereof. Investors are cautioned that such statements involve risks and uncertainties that could cause actual results to differ materially from historical or anticipated results due to many factors including, but not limited to, the Company's continuing operating losses, uncertainty of market acceptance of its products, reliance on third party manufacturers, accumulated deficit, future capital needs, uncertainty of capital funding, dependence on limited product line and distribution channels, competition, limited marketing and manufacturing experience, risks of development of new products, regulatory risks and other risks detailed in the Company's most recent Annual Report on Form 10-K and other Securities and Exchange Commission filings. The Company undertakes no obligation to publicly update or revise any forward-looking statements.
