

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) June 24, 2013

NAVIDEA BIOPHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>001-35076</u> (Commission File Number)	<u>31-1080091</u> (IRS Employer Identification No.)
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<u>425 Metro Place North, Suite 450, Dublin, Ohio</u> (Address of principal executive offices)	<u>43017</u> (Zip Code)
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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 a Material Definitive Agreement.

On June 25, 2013 (the "Effective Date"), Navidea Biopharmaceuticals, Inc. (the "Company") entered into a Loan and Security Agreement (the "Loan Agreement") with General Electric Capital Corporation ("GE"), in its capacity as a lender and as administrative and collateral agent (the "Agent") for the other financial institutions which are, or later become, parties to the Loan Agreement as lenders (such lenders, including, as of the Effective Date, MidCap Financial SBIC LP ("MidCap") and GE, collectively the "Lenders," and each individually, a "Lender"), pursuant to which the Lenders agreed to make a term loan to the Company in an aggregate principal amount of \$25,000,000 (the "Term Loan"). The principal balance of the Term Loan will bear interest from the Effective Date at a fixed per annum rate equal to 9.83%. The Company will pay interest in arrears on the first day of each calendar month, commencing on July 1, 2013. The Company will pay thirty equal consecutive principal payments of \$806,452.00 on the first day of each calendar month, commencing on July 1, 2014, and one final principal payment in an amount equal to the entire remaining principal balance of the Term Loan on December 23, 2016. On the date upon which the Company pays the outstanding principal amount of the Term Loan in full, the Company will also pay a non-refundable fee equal to 4.00% of the original principal amount of the Term Loan. In consideration of the agreement of the Lenders to make the loan, the Company paid a non-refundable closing fee of \$206,250 on the Effective Date. Additionally, in consideration for the agreement of the Lenders to enter into the Loan Agreement, the Company issued each of the Lenders a warrant (the "Warrants," and collectively with the Loan Agreement the "GE Transaction Documents") to acquire its respective pro rata share of an aggregate 301,205 shares of the Company's common stock at an exercise price of \$2.49 per share (the "Warrant Exercise Price"). The exercise period for the Warrants expires ten years from the Effective Date. The Warrant Exercise Price is subject to adjustment pursuant to certain anti-dilution provisions contained in the Warrants.

The Company may voluntarily prepay the Term Loan in full or in part, upon five business days' prior written notice, in each instance without penalty or premium except: (1) a fee equal to 4.00% of the principal amount of the Term Loan so prepaid, plus (2) a prepayment premium equal to: (a) 2.00% of the principal amount of the Term Loan being prepaid, if such prepayment is made on or before the one year anniversary of the Effective Date, (b) 1.00% of the principal amount of the Term Loan being prepaid, if such prepayment is made after the one year anniversary of the Effective Date but on or before the two year anniversary of the Effective Date, and (c) 0.00% of the principal amount of the Term Loan being prepaid, if such prepayment is made after the two year anniversary of the Effective Date but before December 23, 2016. Optional partial prepayments of the Term Loan will be applied to scheduled installments of the Term Loan in inverse order of maturity.

Pursuant to the terms of the Loan Agreement, the Company granted GE, as the Agent, for the benefit of the Agent and Lenders, a security interest in the Company's personal property of every kind, including, without limitation, the Company's accounts, chattel paper, commercial tort claims, deposit accounts, documents, equipment, financial assets, fixtures, goods, instruments, investment property, inventory, securities, supporting obligations, cash, cash equivalents, other contract rights, general intangibles (other than intellectual property, but including the Company's rights to payment with respect to intellectual property), all books and records of the Company relating to the foregoing property, and all substitutions, replacements or exchanges therefor, and all proceeds, insurance claims, products, profits and other rights to payments not otherwise described above.

The Loan Agreement requires that the Company adhere to certain affirmative and negative covenants, including, without limitation, maintenance of minimum unrestricted cash balances, financial reporting requirements and a prohibition against the incurrence of indebtedness, or creation of additional liens, other than as specifically permitted by the terms of the Loan Agreement. The Agent may accelerate the payment terms of the Loan Agreement upon the occurrence of certain events of default set forth in the Loan Agreement, which include the failure of the Company to make timely payments of amounts due under the Loan Agreement, the failure of the Company to adhere to the covenants set forth in the Loan Agreement, and the insolvency of the Company.

Also on June 25, 2013, in connection with the Company entering into the Loan Agreement, the Company and Platinum-Montaur Life Sciences, LLC ("Montaur") entered into an amendment (the "Montaur Amendment") to the Loan Agreement between the Company and Montaur, dated July 25, 2012 (the "Montaur Loan Agreement"). The Company, Montaur, and GE also entered into a subordination agreement, dated June 25, 2013 (the "Subordination Agreement"), providing for subordination of Company's indebtedness under the Montaur Loan Agreement to the Company's indebtedness under the Loan Agreement, among other customary terms and conditions. Contemporaneously with the execution of the Montaur Amendment, the Company delivered an amended and restated promissory note, dated June 25, 2013, to Montaur (the "Montaur Note"), which amends and restates the original promissory note, dated July 25, 2012, made by the Company in favor of Montaur in the original principal amount of up to \$35,000,000.

The Montaur Amendment, together with the Montaur Note, provides that the applicable rate of interest under the Montaur Loan Agreement will be the greatest of (i) the United States prime rate as reported in The Wall Street Journal plus 6.75%, (ii) 10.0%, and (iii) the highest rate of interest then payable by the Company pursuant to the Loan Agreement plus 12.5 basis points (0.125%). Each Draw Loan Maturity Date (as defined in the Montaur Loan Agreement) has been extended to, with respect to each draw, the earlier of (i) two years following the funding of the draw and (ii) June 25, 2017; provided that the Draw Loan Maturity Date for any draw will not occur prior to the earlier of June 25, 2017, and the Subordination Termination Date (as defined in the Subordination Agreement). The Montaur Amendment allows Montaur to increase the Draw Credit Maximum Amount (as defined in the Montaur Loan Agreement) to \$50,000,000 following the satisfaction of an FDA Approval Condition (as defined in the Montaur Loan Agreement). If the Company recognizes revenue exceeding \$2,000,000 in any quarter from the sale or licensing of its Lymphoseek product, following that quarter the Company must pay Montaur 1/3rd of the aggregate amount of revenue derived from such sales and license agreements on a quarterly basis going forward to reduce amounts outstanding under the Montaur Loan Agreement. Finally, the Montaur Amendment provides, that with respect to draws advanced after June 25, 2013, beginning two years after the date of such draw, Montaur has the right to convert unpaid principal or interest into the Company's common stock, at a conversion price equal to the lesser of 90% of the lowest VWAP for the 10 trading days preceding the date of the conversion request or the average VWAP for the ten trading days preceding the date of the conversion request, but not to exceed 23,906,000 shares of the Company's common stock without the prior approval of the Company's stockholders.

Also on June 25, 2013, in connection with entering the Montaur Amendment, the Company and Montaur entered into a Warrant Exercise Agreement (the "Warrant Exercise Agreement"), pursuant to which Montaur agreed to exercise its Amended Series X Warrant, exercisable for 5,333,333 shares of the Company's common stock (the "Series X Warrant"), and its Series AA Warrant exercisable for 2,400,000 shares of the Company's common stock (the "Series AA Warrant"), for 2,364.9 shares of the Company's Series B Convertible Preferred Stock ("Series B Preferred Stock") by crediting \$4,781,333 in borrowings by the Company under the Montaur Loan Agreement. Each share of such Series B Preferred Stock is convertible into 3,270 shares of the Company's common stock.

The Company will file an amendment to this Current Report on Form 8-K pursuant to which it will include, and incorporate by reference herein, the text of each of the GE Transaction Documents, Subordination Agreement, Montaur Amendment, the Warrant Exercise Agreement, and the Montaur Note.

Item 1.02 Termination of a Material Definitive Agreement.

The contents of Item 1.01 are incorporated by reference into this item. On June 25, 2013, that certain Loan and Security Agreement (the "Hercules Loan Agreement"), dated December 29, 2011, between the Company and Hercules Technology II, L.P. ("Hercules"), terminated upon the receipt by Hercules of a payoff amount of \$4,762,832.42 from the Company; provided that the Company continues to be bound by certain indemnification obligations under Section 6.3 of the Hercules Loan Agreement. In December 2011, in connection with entering the Hercules Loan Agreement, the Company issued Hercules a Series GG warrant to purchase 333,333 shares of the Company's common stock at an exercise price of \$2.10 per share, expiring in December 2016, which Series GG warrant remains outstanding. Under the Hercules Loan Agreement, Hercules agreed to make a loan to the Company in an aggregate principal amount of \$10,000,000. The Loan Agreement provided for the Company to make two draws, the first of which the Company made on December 29, 2011, in the amount of \$7,000,000. The second draw did not occur. The principal balance bore interest from the applicable advance date at a rate equal to the greater of (a) the United States prime rate as reported in The Wall Street Journal (the "Prime Rate") plus 6.75%, and (b) 10.0%. The payoff amount paid by the Company in connection with the termination of the Hercules Loan Agreement included payments of: (1) \$66,238.91 as a pre-payment penalty; and (2) \$250,000 as an end of term fee.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The contents of Item 1.01 are incorporated by reference into this item.

Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The contents of Item 1.01 and 1.02 are incorporated by reference into this item.

Item 3.02. Unregistered Sale of Equity Securities.

The contents of Item 1.01 are incorporated by reference into this item. The Series B Preferred Stock issued to Montaur upon its exercise of the Series X Warrant and the Series AA Warrant, and the Warrants issued to GE and MidCap, were issued in private transactions made in reliance upon exemptions from registration pursuant to Section 4(a)(2) under the Securities Act of 1933, as amended.

Item 3.03 Material Modification to Rights of Security Holders.

The contents of Item 1.01 are incorporated by reference into this Item 3.03. In accordance with the provisions of the Warrant Exercise Agreement, the Company amended the terms of the Series B Convertible Preferred Stock by the filing of an Amended and Restated Certificate of Designations, Voting Powers, Preferences, Limitations, Restrictions, and Relative Rights of Series B Convertible Preferred Stock (the "Amended Series B Certificate of Designations") with the Delaware Secretary of State on June 24, 2013, which is the date the Amended Series B Certificate of Designations became effective. The Amended Series B Certificate of Designations increases the maximum number of shares of Series B Preferred Stock to 12,000 shares, removes references to the Series C Preferred Stock and other historical references no longer applicable, and provides for automatic conversion to the Company's common stock if the price of the Company's common stock exceeds \$7.00 per share (calculated according to an average described in the Amended Series B Certificate of Designations), among other changes.

On June 26, 2013, the Company filed with the Delaware Secretary of State a Certificate of Elimination (the "Series C Certificate of Elimination") with respect to its Series C Preferred Stock, which is the date the Series C Certificate of Elimination became effective. No shares of Series C Preferred Stock were outstanding prior to the filing of the Series C Certificate of Elimination.

The foregoing description of the Amended Series B Certificate of Designations and the Series C Certificate of Elimination is qualified in its entirety by reference to the full text of such documents, copies of which are attached hereto as Exhibits 4.1 and 4.1, respectively, and incorporated herein by reference.

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

Following a review undertaken by the Company's Board of Directors (the "Board") and senior management, the Company determined that the Board had inadvertently granted stock awards in February 2012 to the Company's Chief Executive Officer, Mark J. Pykett, in excess of the amount then authorized under the Company's Amended and Restated 2002 Stock Incentive Plan ("Plan"). Specifically, the Board determined that, although the Plan was amended in June 2012 to increase the maximum number of shares available for grant to any individual participant in any calendar year to 750,000, and an amended and restated Plan incorporating this and other amendments was approved by the stockholders of the Company at the 2012 Annual Meeting of Stockholders, the amendment was not made retroactive, and therefore did not apply to the grants made to Dr. Pykett in February 2012.

Consequently, the Board canceled options to purchase 50,000 shares of the Company's common stock issued to Dr. Pykett (the amount by which the grants to Dr. Pykett in February 2012 exceeded the Plan's 500,000 share limitation), and Dr. Pykett agreed to the cancellation. Additionally, the Company has developed a series of internal controls applicable to grants under the Plan to assure that the Plan's limitation on grants to individual participants in any year are not exceeded in the future.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The contents of Item 1.01 and Item 3.03 are incorporated by reference into this Item 5.03.

Item 8.01. Other Events.

On June 26, 2013, the Company issued a press release entitled "Navidea Biopharmaceuticals Closes \$25 Million Debt Financing with GE Capital, Healthcare Financial Services." A copy of the complete text of the Company's June 26, 2013 press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<i>Exhibit Number</i>		<i>Exhibit Description</i>
4.1	*	Navidea Biopharmaceuticals, Inc. Amended and Restated Certificate of Designations, Voting Powers, Preferences, Limitations, Restrictions, and Relative Rights of Series B Convertible Preferred Stock
4.2	*	Navidea Biopharmaceuticals, Inc. Series C Preferred Stock Certificate of Elimination
99.1	*	Press release dated June 26, 2013, entitled "Navidea Biopharmaceuticals Closes \$25 Million Debt Financing with GE Capital, Healthcare Financial Services"

* Filed Herewith

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, Quarterly Reports on Form 10-Q, and other filings with the United States Securities and Exchange Commission. 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.

Navidea Biopharmaceuticals, Inc.

Date: June 26, 2013

By: /s/ Brent L. Larson

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

NAVIDEA BIOPHARMACEUTICALS, INC.

AMENDED AND RESTATED CERTIFICATE OF DESIGNATIONS, VOTING POWERS,
PREFERENCES, LIMITATIONS, RESTRICTIONS, AND RELATIVE
RIGHTS OF SERIES B CONVERTIBLE PREFERRED STOCK

It is hereby certified that:

I. The name of the corporation is Navidea Biopharmaceuticals, Inc. (the “Corporation”), a Delaware corporation.

II. Set forth hereinafter is a statement of the voting powers, preferences, limitations, restrictions, and relative rights of shares of Series B Convertible Preferred Stock hereinafter designated as contained in a resolution of the Board of Directors of the Corporation pursuant to a provision of the Certificate of Incorporation of the Corporation permitting the issuance of said Series B Preferred Stock by resolution of the Board of Directors:

1. Designation and Rank.

(a) Designation. The designation of such series of the Preferred Stock shall be the Series B Convertible Preferred Stock, par value \$.001 per share (the “Series B Preferred Stock”). The maximum number of shares of Series B Preferred Stock shall be Twelve Thousand (12,000) Shares.

(b) Rank. The Series B Preferred Stock shall rank prior to the common stock, par value \$.001 per share (the “Common Stock”), and to all other classes and series of equity securities of the Company which by their terms do not rank on a parity with or senior to the Series B Preferred Stock (“Junior Stock”). The Series B Preferred Stock shall be subordinate to and rank junior to all indebtedness of the Company now or hereafter outstanding.

2. Dividends. Whenever the Board of Directors declares a dividend on the Common Stock, each holder of record of a share of Series B Preferred Stock, or any fraction of a share of Series B Preferred Stock, on the date set by the Board of Directors to determine the owners of the Common Stock of record entitled to receive such dividend (the “Record Date”) shall be entitled to receive, out of any assets at the time legally available therefore, an amount equal to such dividend declared on one share of Common Stock multiplied by the number of shares of Common Stock into which such share, or such fraction of a share, of Series B Preferred Stock could be converted on the Record Date, without regard to Section 7 hereof.

3. Voting Rights.

(a) Class Voting Rights. The Series B Preferred Stock shall have the following class voting rights. The Company shall not, without the affirmative vote or consent of the holders of at least a majority of the shares of the Series B Preferred Stock outstanding at the time, given in person or by proxy, either in writing or at a meeting, in which the holders of the Series B Preferred Stock vote separately as a class, amend, alter or repeal the provisions of the Series B Preferred Stock so as to adversely affect any right, preference, privilege or voting power of the Series B Preferred Stock. So long as at least 25% of the shares of the Series B Preferred Stock remain outstanding, the Company shall not, without the affirmative vote or consent of the holders of at least a majority of the shares of the Series B Preferred Stock outstanding at the time, given in person or by proxy, either in writing or at a meeting, in which the holders of the Series B Preferred Stock vote separately as a class: (i) repurchase, redeem or pay dividends on (whether in cash, in kind, or otherwise), shares of the Company's Junior Stock; (ii) effect any distribution with respect to any Junior Stock, or (iii) issue any Common Stock or Common Stock equivalent for a per Common Stock share effective price less than \$1.35, other than (1) issuances of securities upon the exercise or exchange of or conversion of any securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the Issuance Date, provided that such securities have not been amended since the Issuance Date to increase the number of such securities or to decrease the exercise, exchange or conversion price of any such securities; (2) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors, but not including a transaction with an entity whose primary business is investing in securities or a transaction, the primary purpose of which is to raise capital; or (3) issuances, pursuant to employee equity compensation plans approved by the Company's shareholders, of options, restricted stock or other forms of equity compensation to employees, officers or directors of the Company, approved by a majority of the non-employee members of the Board of Directors of the Company or a majority of the members of a committee of nonemployee directors established for such purpose. For purposes of clause (iii) above, the "per Common Stock share effective price" in the case of any Common Stock equivalent shall be determined by dividing (X) the total amount received or receivable by the Company as consideration for the issue or sale of such Common Stock equivalents, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exercise thereof, by (Y) the total maximum number of shares of Common Stock issuable upon the conversion or exercise of all such Common Stock equivalents.

(b) General Voting Rights. Except with respect to transactions upon which the Series B Preferred Stock shall be entitled to vote separately as a class pursuant to Section 3(a) above, the Series B Preferred Stock shall have no voting rights. The Common Stock into which the Series B Preferred Stock is convertible shall, upon issuance, have all of the same voting rights as other issued and outstanding Common Stock of the Company.

4. Liquidation Preference.

(a) In the event of the liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities of the Company, the holders of shares of the Series B Preferred Stock then outstanding shall be entitled to receive, out of the assets of the Company, whether such assets are capital or surplus of any nature, before any payment shall be made or any assets distributed to the holders of the Common Stock or any other Junior Stock, an amount per share of Series B Preferred Stock calculated by taking the total amount available for distribution to holders of all the Company's outstanding Common Stock before deduction of any preference payments for the Series B Preferred Stock, divided by the total of (x) all of the then outstanding shares of the Company's Common Stock plus (y) all of the shares of the Company's Common Stock into which all of the outstanding shares of the Series B Preferred Stock can be converted, and then (z) multiplying the sum so obtained by the number of shares of Common Stock into which such share of Series B Preferred Stock could then be converted (the "Liquidation Preference Amount"). The liquidation payment with respect to each outstanding fractional share of Series B Preferred Stock shall be equal to a ratably proportionate amount of the liquidation payment with respect to each outstanding share of Series B Preferred Stock. All payments for which this Section 4(a) provides shall be in cash, property (valued at its fair market value as determined by an independent appraiser reasonably acceptable to the holders of a majority of the Series B Preferred Stock), or a combination thereof; provided, however, that no cash shall be paid to holders of Junior Stock unless each holder of the outstanding shares of Series B Preferred Stock has been paid in cash the full Liquidation Preference Amount to which such holder is entitled as provided herein. After payment of the full Liquidation Preference Amount to which each holder is entitled, such holders of shares of Series B Preferred Stock will not be entitled to any further participation as such in any distribution of the assets of the Company.

(b) A consolidation or merger of the Company with or into any other corporation or corporations, or a sale of all or substantially all of the assets of the Company, or the effectuation by the Company of a transaction or series of transactions in which more than 50% of the voting shares of the Company is disposed of or conveyed, shall be, at the election of the holders of a majority of the Series B Preferred Stock, deemed to be a liquidation, dissolution, or winding up within the meaning of this Section 4; *provided, however*, that any such transaction shall not be deemed to be a liquidation, dissolution or winding up unless such transaction is approved by the Board of Directors of the Company and the holders of the Series B Preferred Stock do not control the Board of Directors. In the event of the merger or consolidation of the Company with or into another corporation that is not treated as a liquidation pursuant to this Section 4(b), the Series B Preferred Stock shall maintain its relative powers, designations and preferences provided for herein (including any adjustment required under Section 5(c)(v) hereof) and no merger shall result inconsistent therewith.

(c) Written notice of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, stating a payment date and the place where the distributable amounts shall be payable, shall be given by mail, postage prepaid, no less than forty-five (45) days prior to the payment date stated therein, to the holders of record of the Series B Preferred Stock at their respective addresses as the same shall appear on the books of the Company.

5. Conversion. The holders of Series B Preferred Stock shall have the following conversion rights (the “Conversion Rights”):

(a) Right to Convert. At any time on or after the date of issuance of the Series B Preferred Stock (the “Issuance Date”), the holder of any such shares of Series B Preferred Stock may, at such holder’s option, subject to the limitations set forth in Section 7 herein, elect to convert (a “Voluntary Conversion”) all or any portion of the shares of Series B Preferred Stock held by such person into a number of fully paid and nonassessable shares of Common Stock at a conversion rate of Three Thousand Two Hundred Seventy (3,270) shares of Common Stock for each share of Preferred Stock (subject to adjustments set forth in Section 5(c) herein, the “Conversion Rate”). The Company shall keep written records of the conversion of the shares of Series B Preferred Stock converted by each holder. A holder shall be required to deliver the original certificates representing the shares of Series B Preferred Stock upon any conversion of the Series B Preferred Stock as provided in Section 5(b) below.

(b) Mechanics of Voluntary Conversion. The Voluntary Conversion of Series B Preferred Stock shall be conducted in the following manner:

(i) *Holder's Delivery Requirements*. To convert Series B Preferred Stock into full shares of Common Stock on any date (the “Voluntary Conversion Date”), the holder thereof shall (A) transmit by facsimile (or otherwise deliver), for receipt on or prior to 5:00 p.m., Eastern Time on such date, a copy of a fully executed notice of conversion in the form attached hereto as Exhibit I (the “Conversion Notice”), to the Company, and (B) with respect to the final conversion of shares of Series B Preferred Stock held by any holder, such holder shall surrender to a common carrier for delivery to the Company as soon as practicable following such Conversion Date but in no event later than six (6) business days after such date the original certificates representing the shares of Series B Preferred Stock being converted (or an indemnification undertaking with respect to such shares in the case of their loss, theft or destruction) (the “Preferred Stock Certificates”).

(ii) *Company's Response.* Upon receipt by the Company of a facsimile copy of a Conversion Notice, the Company shall immediately send, via facsimile, a confirmation of receipt of such Conversion Notice to such holder and the Company or its designated transfer agent (the "Transfer Agent"), as applicable, shall, within five (5) business days following the date of receipt by the Company of the certificate representing the shares of Series B Preferred Stock being converted, (x) issue and deliver to the Depository Trust Company ("DTC") account on the holder's behalf via the Deposit Withdrawal Agent Commission System ("DWAC") as specified in the Conversion Notice, registered in the name of the holder or its designee, for the number of shares of Common Stock to which the holder shall be entitled, and (y) if the certificate so surrendered represents more shares of Series B Preferred Stock than those being converted, issue and deliver to the holder a new certificate for such number of shares of Series B Preferred Stock represented by the surrendered certificate which were not converted.

(iii) *Record Holder.* The person or persons entitled to receive the shares of Common Stock issuable upon a conversion of the Series B Preferred Stock shall be treated for all purposes as the record holder or holders of such shares of Common Stock on the Conversion Date.

(iv) *Company's Failure to Timely Convert.* If within five (5) business days of the Company's receipt of the Conversion Notice (the "Share Delivery Period") the Company shall fail to issue and deliver to a holder the number of shares of Common Stock to which such holder is entitled upon such holder's conversion of the Series B Preferred Stock (a "Conversion Failure"), in addition to all other available remedies which such holder may pursue hereunder, the Company shall pay additional damages to such holder on each business day after such fifth (5th) business day that such conversion is not timely effected in an amount equal to 0.5% of the product of (A) the sum of the number of shares of Common Stock not so issued to the holder on a timely basis pursuant to Section 5(b)(ii) and to which such holder is entitled and (B) the closing bid price of the Common Stock on the last possible date which the Company could have issued such Common Stock to such holder without violating Section 5(b)(ii). If the Company fails to pay the additional damages set forth in this Section 5(b)(iv) within five (5) business days of the date incurred, then such payment shall bear interest at the rate of 2% per month (pro rated for partial months) until such payments are made.

(c) Adjustments of Conversion Rate.

(i) *Adjustments for Stock Splits and Combinations.* If the Company shall at any time or from time to time after the Issuance Date, effect a stock split of the outstanding Common Stock, the Conversion Rate shall be proportionately increased. If the Company shall at any time or from time to time after the Issuance Date, combine the outstanding shares of Common Stock, the Conversion Rate shall be proportionately decreased. Any adjustments under this Section 5(c)(i) shall be effective at the close of business on the date the stock split or combination occurs.

(ii) *Adjustments for Certain Dividends and Distributions.* If the Company shall at any time or from time to time after the Issuance Date, make or issue or set a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in shares of Common Stock, then, and in each event, the Conversion Rate shall be increased as of the time of such issuance or, in the event such record date shall have been fixed, as of the close of business on such record date, by multiplying, as applicable, the Conversion Rate then in effect by a fraction:

(A) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately following the time of such issuance or the close of business on such record date; and

(B) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance.

(iii) *Adjustment for Other Dividends and Distributions.* If the Company shall at any time or from time to time after the Issuance Date, make or issue or set a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in securities of the Company other than shares of Common Stock, then, and in each event, an appropriate revision to the applicable Conversion Rate shall be made and provision shall be made (by adjustments of the Conversion Rate or otherwise) so that the holders of Series B Preferred Stock shall receive upon conversions thereof, in addition to the number of shares of Common Stock receivable thereon, the number of securities of the Company which they would have received had their Series B Preferred Stock been converted into Common Stock on the date of such event (without regard to Section 7 hereof) and had thereafter, during the period from the date of such event to and including the Conversion Date, retained such securities (together with any distributions payable thereon during such period), giving application to all adjustments called for during such period under this Section 5(c)(iii) with respect to the rights of the holders of the Series B Preferred Stock.

(iv) *Adjustments for Reclassification, Exchange or Substitution.* If the Common Stock issuable upon conversion of the Series B Preferred Stock at any time or from time to time after the Issuance Date shall be changed to the same or different number of shares of any class or classes of stock, whether by reclassification, exchange, substitution or otherwise (other than by way of a stock split or combination of shares or stock dividends provided for in Sections 5(c)(i), (ii) and (iii), or a reorganization, merger, consolidation, or sale of assets provided for in Section 5(c)(v)), then, and in each event, an appropriate revision to the Conversion Rate shall be made and provisions shall be made so that the holder of each share of Series B Preferred Stock shall have the right thereafter to convert such share of Series B Preferred Stock into the kind and amount of shares of stock and other securities receivable upon reclassification, exchange, substitution or other change, by holders of the number of shares of Common Stock into which such share of Series B Preferred Stock might have been converted immediately prior to such reclassification, exchange, substitution or other change (without giving effect to the limitations set forth in Section 7 hereof), all subject to further adjustment as provided herein.

(v) *Adjustments for Reorganization, Merger, Consolidation or Sales of Assets.* If at any time or from time to time after the Issuance Date there shall be a capital reorganization of the Company (other than by way of a stock split or combination of shares or stock dividends or distributions provided for in Section 5(c)(i), (ii) and (iii), or a reclassification, exchange or substitution of shares provided for in Section 5(c)(iv)), or a merger or consolidation of the Company with or into another corporation, or the sale of all or substantially all of the Company's properties or assets to any other person that is not deemed a liquidation pursuant to Section 4(b) (an "Organic Change"), then as a part of such Organic Change an appropriate revision to the Conversion Rate shall be made and provision shall be made so that the holder of each share of Series B Preferred Stock shall have the right thereafter to convert such share of Series B Preferred Stock into the kind and amount of shares of stock and other securities or property of the Company or any successor corporation resulting from the Organic Change as the holder would have received as a result of the Organic Change and if the holder had converted its Series B Preferred Stock (without regard to Section 7 hereof) into the Company's Common Stock prior to the Organic Change.

(vi) Record Date. In case the Company shall take record of the holders of its Common Stock or any other Preferred Stock for the purpose of entitling them to subscribe for or purchase Common Stock or Convertible Securities, then the date of the issue or sale of the shares of Common Stock shall be deemed to be such record date.

(d) No Impairment. The Company shall not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith, assist in the carrying out of all the provisions of this Section 5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series B Preferred Stock against impairment. In the event a holder shall elect to convert any shares of Series B Preferred Stock as provided herein, the Company cannot refuse conversion based on any claim that such holder or anyone associated or affiliated with such holder has been engaged in any violation of law, unless an injunction from a court, on notice, restraining and/or adjoining conversion of all or of said shares of Series B Preferred Stock shall have been issued.

(e) Certificates as to Adjustments. Upon occurrence of each adjustment or readjustment of the Conversion Rate or number of shares of Common Stock issuable upon conversion of the Series B Preferred Stock pursuant to this Section 5, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such Series B Preferred Stock a certificate setting forth such adjustment and readjustment, showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon written request of the holder of such affected Series B Preferred Stock, at any time, furnish or cause to be furnished to such holder a like certificate setting forth such adjustments and readjustments, the Conversion Rate in effect at the time, and the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon the conversion of a share of such Series B Preferred Stock. Notwithstanding the foregoing, the Company shall not be obligated to deliver a certificate unless such certificate would reflect an increase or decrease of at least one percent (1%) of such adjusted amount.

(f) Issue Taxes. The Company shall pay any and all issue and other taxes, excluding federal, state or local income taxes, that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of shares of Series B Preferred Stock pursuant thereto; *provided, however*, that the Company shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

(g) Notices. Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be in writing and shall be effective (i) upon hand delivery, telecopy or facsimile at the address or number designated in the Exchange Agreement (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (ii) on the second business day following the date of mailing by express overnight courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The Company will give written notice each holder of Series B Preferred Stock at least ten (10) days prior to the date on which the Company takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any pro rata subscription offer to holders of Common Stock or (C) for determining rights to vote with respect to any Organic Change, dissolution, liquidation or winding-up and in no event shall such notice be provided to such holder prior to such information being made known to the public. Subject to Section 4(c), the Company will also give written notice to each holder of Series B Preferred Stock at least ten (10) days prior to the date on which any Organic Change will take place and in no event shall such notice be provided to such holder prior to such information being made known to the public

(h) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series B Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall at its option either (i) pay cash equal to the product of such fraction multiplied by the average of the closing bid prices of the Common Stock for the five (5) consecutive trading days immediately preceding the Voluntary Conversion Date, as applicable, or (ii) in lieu of issuing such fractional shares issue one additional whole share to the holder.

(i) Reservation of Common Stock. The Company shall, so long as any shares of Series B Preferred Stock are outstanding, reserve and keep available out of its authorized and unissued Common Stock, solely for the purpose of effecting the conversion of the Series B Preferred Stock, such number of shares of Common Stock as shall from time to time be sufficient to effect the conversion of all of the Series B Preferred Stock then outstanding (without regard to the limitations on conversion set forth in Section 7 hereof).

(j) Retirement of Series B Preferred Stock. Conversion of Series B Preferred Stock shall be deemed to have been effected on the applicable Voluntary Conversion Date. The Company shall keep written records of the conversion of the shares of Series B Preferred Stock converted by each holder. A holder shall be required to deliver the original certificates representing the shares of Series B Preferred Stock upon complete conversion of the Series B Preferred Stock represented by such certificates. A delivery of original certificates pursuant to Section 5(b)(i) shall be deemed to comply with the requirements of this Section 5(j).

(k) Regulatory Compliance. If any shares of Common Stock to be reserved for the purpose of conversion of Series B Preferred Stock require registration or listing with or approval of any governmental authority, stock exchange or other regulatory body under any federal or state law or regulation or otherwise before such shares may be validly issued or delivered upon conversion, the Company shall, at its sole cost and expense, in good faith and as expeditiously as possible, endeavor to secure such registration, listing or approval, as the case may be.

6. No Preemptive Rights. Except as provided in Section 5 hereof, no holder of the Series B Preferred Stock shall be entitled to rights to subscribe for, purchase or receive any part of any new or additional shares of any class, whether now or hereinafter authorized, or of bonds or debentures, or other evidences of indebtedness convertible into or exchangeable for shares of any class, but all such new or additional shares of any class, or any bond, debentures or other evidences of indebtedness convertible into or exchangeable for shares, may be issued and disposed of by the Board of Directors on such terms and for such consideration (to the extent permitted by law), and to such person or persons as the Board of Directors in their absolute discretion may deem advisable.

7. Conversion Restriction. Notwithstanding anything to the contrary set forth in Section 5 of this Certificate of Designation, at no time may a holder of shares of Series B Preferred Stock convert shares of the Series B Preferred Stock if the number of shares of Common Stock to be issued pursuant to such conversion would exceed, when aggregated with all other shares of Common Stock owned by such holder at such time, the number of shares of Common Stock which would result in such holder owning (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules thereunder) more than 9.99% of all of the Common Stock outstanding at such time; *provided, however*, that upon a holder of Series B Preferred Stock providing the Company with sixty-one (61) days notice (pursuant to Section 5(g) hereof) (the "Waiver Notice") that such holder would like to waive Section 7 of this Certificate of Designation with regard to any or all shares of Common Stock issuable upon conversion of Series B Preferred Stock, this Section 7 shall be of no force or effect with regard to those shares of Series B Preferred Stock referenced in the Waiver Notice.

8. Inability to Fully Convert.

(a) Holder's Option if Company Cannot Fully Convert. If, upon the Company's receipt of a Conversion Notice, the Company cannot issue shares of Common Stock for any reason, including, without limitation, because the Company (i) does not have a sufficient number of shares of Common Stock authorized and available, or (ii) is otherwise prohibited by applicable law or by the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or its securities from issuing all of the Common Stock which is to be issued to a holder of Series B Preferred Stock pursuant to a Conversion Notice, then the Company shall issue as many shares of Common Stock as it is able to issue in accordance with such holder's Conversion Notice, and with respect to the unconverted Series B Preferred Stock (the "Unconverted Preferred Stock"), the holder, solely at such holder's option, can elect to, at any time after receipt of notice from the Company that there is Unconverted Preferred Stock, to void the holder's Conversion Notice as to the number of shares of Common Stock the Company is unable to issue and retain or have returned, as the case may be, the certificates for the shares of the Unconverted Preferred Stock.

(b) Mechanics of Fulfilling Holder's Election. The Company shall immediately send via facsimile to a holder of Series B Preferred Stock, upon receipt of a facsimile copy of a Conversion Notice from such holder which cannot be fully satisfied as described in Section 8(a) above, a notice of the Company's inability to fully satisfy such holder's Conversion Notice (the "Inability to Fully Convert Notice"). Such Inability to Fully Convert Notice shall indicate (i) the reason why the Company is unable to fully satisfy such holder's Conversion Notice, and (ii) the number of shares of Series B Preferred Stock which cannot be converted.

9. Automatic Conversion.

(a) Automatic Conversion Events. All outstanding shares of Series B Preferred Stock shall be automatically converted into Common Stock at the Conversion Rate upon the earlier to occur of either of the following (each, an "Automatic Conversion Event"): (i) the closing of a firm commitment underwritten public offering of Common Stock of the Company pursuant to an effective registration statement under Section 5 of the Securities Act in which the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) from such public offering are at least \$10,000,000, or (ii) one hundred eighty (180) days following the first Trading Date upon which the Trigger Price per share of the Common Stock equals or exceeds \$7.00 per share, but excluding from such 180 day period any Trading Day on which the Trigger Price is less than \$5.00 per share.

(b) Mechanics of Automatic Conversion. Upon the occurrence of an Automatic Conversion Event, the outstanding Series B Preferred Stock shall be converted into Common Stock automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; *provided, however*, that the Company shall not be obligated to issue certificates evidencing the Common Stock issuable upon such conversion unless the certificates evidencing such Series B Preferred Stock are either delivered to the Company or its transfer agent as provided below, or the holder certifies to the Company or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. Upon surrender by any holder of the certificates formerly representing shares of Series B Preferred Stock to the Company or the transfer agent, there shall be issued and delivered to such holder promptly in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Common Stock into which the shares of Series B Preferred Stock surrendered were converted on the date on which such automatic conversion occurred, and the Company shall promptly pay in cash (at the fair market value per share of Common Stock determined by the Board of Directors as of the date of conversion) the value of any fractional share of Common Stock otherwise issuable to any holder of shares of Series B Preferred Stock being converted. Until surrendered as provided above, each certificate formerly representing Series B Preferred Stock shall be deemed for all corporate purposes to represent the number of shares of Common Stock resulting from such automatic conversion.

(c) Inability to Convert. Notwithstanding the provisions of Section 9(a) if, upon the occurrence of an Automatic Conversion Event, the Company cannot issue shares of Common Stock to fully effect the conversion for any reason, including, without limitation, because the Company (i) does not have a sufficient number of shares of Common Stock authorized and available, (ii) is otherwise prohibited by applicable law or by the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or its securities from issuing all of the Common Stock which is to be issued to a holder of Series B Preferred Stock, or (iii) the conversion would be prohibited by the provisions of Section 7 hereof and such prohibition has not been waived by the holder, then the Company shall issue as many shares of Common Stock as it is able to issue, and with respect to the unconverted Series B Preferred Stock (the "Unconverted Preferred Stock"), deliver to the holder a certificate for the shares of the Unconverted Preferred Stock. In the event that the Company is thereafter able to convert the Unconverted Preferred Stock, it shall so notify the holder in writing, and such notice shall be deemed to be an Automatic Conversion Event for purposes of this Section 9.

(d) Certain Definitions. For purposes of this Section 9, the following capitalized terms shall have the following meanings:

"Trigger Price" means the average VWAP for any thirty (30) consecutive Trading Days.

"Trading Day" means (a) a day on which the Common Stock is traded on the NYSE MKT (or other national securities exchange, if applicable), or (b) if the Common Stock is not listed or traded on a national securities exchange, a day on which the Common Stock is quoted on the OTC Bulletin Board (or any similar organization or agency succeeding its functions of reporting prices).

"VWAP" means, for any date, (i) the daily volume weighted average price of the Common Stock for such date on the NYSE MKT (or other national securities exchange, if applicable) as reported by Bloomberg Financial L.P. (based on a Trading Day from 9:30 a.m. Eastern Time to 4:02 p.m. Eastern Time); or (ii) if the Common Stock is not then listed or quoted on a national securities exchange, and if prices for the Common Stock are then reported on the OTC Bulletin Board (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported.

10. Vote to Change the Terms of Preferred Stock. The affirmative vote at a meeting duly called for such purpose, or the written consent without a meeting, of the holders of not less than a majority of the then outstanding shares of Series B Preferred Stock, shall be required for any change to this Certificate of Designation or the Company's Certificate of Incorporation that would amend, alter, change or repeal any of the powers, designations, preferences and rights of the Series B Preferred Stock.

11. Lost or Stolen Certificates. Upon receipt by the Company of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of any certificates representing the shares of Series B Preferred Stock, and, in the case of loss, theft or destruction, of any indemnification undertaking by the holder to the Company and, in the case of mutilation, upon surrender and cancellation of such certificate(s), the Company shall execute and deliver new preferred stock certificate(s) of like tenor and date.

EXHIBIT I

NAVIDEA BIOPHARMACEUTICALS, INC.
CONVERSION NOTICE

Reference is made to the Certificate of Designation of the Relative Rights and Preferences of the Series B Preferred Stock of Neoprobe Corporation (the "Certificate of Designation"). In accordance with and pursuant to the Certificate of Designation, the undersigned hereby elects to convert the number of shares of Series B Preferred Stock, par value \$.001 per share (the "Preferred Shares"), of Navidea Biopharmaceuticals, Inc., a Delaware corporation (the "Company"), indicated below into shares of Common Stock, par value \$.001 per share (the "Common Stock"), of the Company, by tendering the stock certificate(s) representing the share(s) of Preferred Shares specified below as of the date specified below.

Date of Conversion: _____

Number of Preferred Shares to be converted: _____

Stock certificate no(s). of Preferred Shares to be converted: _____

The Common Stock has been sold: YES ___ NO ___

Please confirm the following information:

Conversion Rate: _____

Number of shares of Common Stock
to be issued: _____

Number of shares of Common Stock beneficially owned or deemed beneficially owned by the Holder on the Date of Conversion determined in accordance with Section 16 of the Securities Exchange Act of 1934, as amended: _____

Please issue the Common Stock into which the Preferred Shares are being converted and, if applicable, any check drawn on an account of the Company in the following name and to the following address:

Issue to: _____
Facsimile Number: _____

Authorization:
By: _____
Title: _____

Dated: _____

**CERTIFICATE OF ELIMINATION
OF
NAVIDEA BIOPHARMACEUTICALS, INC.**

Navidea Biopharmaceuticals, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of Navidea Biopharmaceuticals, Inc. has duly adopted a resolution authorizing the President and/or Secretary of the corporation to execute and file with the Secretary of State of Delaware a Certificate of Elimination which will have the effect of eliminating from the Company's Amended and Restated Certificate of Incorporation all reference to the series of preferred stock designated as the "Series C Convertible Preferred Stock."

SECOND: None of the authorized shares of the Series C Convertible Preferred Stock are outstanding and none will be issued.

THIRD: In accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware, the Restated Certificate of Incorporation is hereby amended to eliminate all reference to the Series C Convertible Preferred Stock.

IN WITNESS WHEREOF, said Navidea Biopharmaceuticals, Inc. has caused this Certificate of Elimination to be signed by Brent L. Larson, its Secretary, this 21st day of June, 2013.

NAVIDEA BIOPHARMACEUTICALS, INC.

By: _____ /s/ Brent L. Larson
Brent L. Larson

Its: Secretary

FOR IMMEDIATE RELEASE**Navidea Biopharmaceuticals Closes \$25 Million Debt Financing with
GE Capital, Healthcare Financial Services**

DUBLIN OHIO, June 26, 2013 – Navidea Biopharmaceuticals, Inc. (NYSE MKT: NAVB), a biopharmaceutical company focused on precision diagnostic radiopharmaceuticals, today announced that it has closed a \$25 million debt financing transaction led by GE Capital, Healthcare Financial Services. The loan funds will be used to support Lymphoseek[®] commercialization activities, advance the clinical development of the Company's pipeline, repay certain of the Company's existing outstanding indebtedness, and for general corporate purposes.

"As we implement the commercial launch of our first approved precision diagnostic radiopharmaceutical, Lymphoseek, and look to expand the commercial scope for the product internationally, this debt financing provides us with additional resources for the execution of the global commercialization plan for Lymphoseek and for our business plan in general, including the advancement of our clinical programs in Alzheimer's and Parkinson's disease and the initiation of their Phase 3 registration activities," said Mark Pykett, V.M.D., Ph.D., CEO of Navidea Biopharmaceuticals. "We are pleased to have the support of GE Capital, a premier life sciences financing provider."

"We are proud to provide Navidea with this critical capital as they advance their pipeline candidates toward regulatory approval and commercialization in these important medical areas," said Anthony Storino, Senior Managing Director of life sciences finance at GE Capital, Healthcare Financial Services. "We support customers' strategies with deep knowledge of the healthcare industry, and financing expertise to support business objectives, including advancements in vital healthcare products."

The funding of \$25 million, which closed on June 25, 2013, is in the form of a senior secured term loan facility. In addition, in connection with this transaction, Navidea announces certain changes were made to the Company's line of credit currently in place with Platinum-Montaur Life Sciences LLP's (Montaur); specifically, \$4.8 million of the \$8 million in currently outstanding indebtedness to Montaur was forgiven as consideration for the exercise of warrants for Series B preferred shares of the Company, in lieu of the 7.7 million shares of common stock for which the warrants were originally exercisable. The Series B preferred shares have rights to convert back into the same number of common shares. The borrowing capacity of the Montaur credit facility was also reset to \$30 million available immediately under existing terms with an additional \$15 million available on similar terms as agreed to by the parties, thereby providing access to the Company under the Montaur facility of over \$53 million in funding, and as much as \$78 million, under the two facilities in aggregate.

About GE Capital, Healthcare Financial Services

With in-depth industry knowledge and expertise, GE Capital, Healthcare Financial Services has provided more than \$60 billion in financing over ten years to companies in over 45 healthcare sectors including senior housing, hospitals, medical offices, outpatient services, pharmaceuticals and medical devices. Our team of professionals creates business and financial solutions tailored to meet the individual needs of our customers. For more information, visit www.gecapital.com/healthcare.

- more -

NAVIDEA BIOPHARMACEUTICALS
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About Navidea Biopharmaceuticals, Inc.

Navidea Biopharmaceuticals, Inc. (NYSE MKT: NAVB) is a biopharmaceutical company focused on the development and commercialization of precision diagnostics and radiopharmaceutical agents. Navidea is actively developing four radiopharmaceutical agent platforms – Lymphoseek[®], NAV4694, NAV5001 and RIGScan[™] – to help identify the sites and pathways of undetected disease and enable better diagnostic accuracy, clinical decision-making and, ultimately, patient care. Navidea’s strategy is to deliver superior growth and shareholder return by bringing to market novel radiopharmaceutical agents and advancing the Company’s pipeline through selective acquisitions, global partnering and commercialization efforts. For more information, please visit www.navidea.com.

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.

Contact:

Source: Navidea Biopharmaceuticals, Inc.
Navidea Biopharmaceuticals
Brent Larson, 614-822-2330
Executive VP & CFO

Stern Investor Relations, Inc.
Beth DelGiacco, 212-362-1200

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