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

FORM 10-Q

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

For the quarterly period ended March 31, 2016

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

For the transition period from _____ to _____

Commission File No. 001-31791

GALECTIN THERAPEUTICS INC.

Nevada	**04-3562325**
(State or other jurisdiction of incorporation)	**(I.R.S. Employer Identification No.)**
4960 Peachtree Industrial Blvd., Suite 240, Norcross, GA	**30071**
(Address of Principal Executive Offices)	**(Zip Code)**

(678) 620-3186
(Registrant's Telephone Number, Including Area Code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.05 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

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

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-Accelerated Filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

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

The number of shares outstanding of the registrant's common stock as of May 6, 2016 was 28,979,179.

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GALECTIN THERAPEUTICS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	March 31, 2016	December 31, 2015
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 22,356	$ 25,846
Prepaid expenses and other current assets	425	554
Total current assets	22,781	26,400
Intangible assets, net	7	8
Total assets	$ 22,788	$ 26,408
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,311	$ 448
Accrued expenses	1,939	845
Accrued dividends payable	—	67
Total current liabilities	3,250	1,360
Total liabilities	3,250	1,360
Commitments and contingencies (Note 8)		
Series B-1 12% redeemable convertible preferred stock; 900,000 shares authorized, issued and outstanding at March 31, 2016 and December 31, 2015, redemption and liquidation value $1,800,000 at March 31, 2016	1,752	1,748
Series B-2 12% redeemable convertible preferred stock; 2,100,000 shares authorized, issued and outstanding at March 31, 2016 and December 31, 2015, redemption and liquidation value $4,200,000 at March 31, 2016	3,591	3,537
Series C super dividend convertible preferred stock; 1,000 shares authorized, 176 shares issued and outstanding at March 31, 2016 and December 31, 2015, redemption value: $6,408,000, liquidation value: $1,760,000 at March 31, 2016	1,723	1,723
Stockholders' equity:		
Undesignated stock, $0.01 par value; 20,000,000 shares authorized, 8,001,000 designated at March 31, 2016 and December 31, 2015	—	—
Series A 12% convertible preferred stock; 5,000,000 shares authorized, 1,377,500 issued and outstanding at March 31, 2016 and December 31, 2015, liquidation value $1,377,500 at March 31, 2016	557	557
Common stock, $0.001 par value; 50,000,000 shares authorized at March 31, 2016 and December 31, 2015, 28,979,179 and 28,825,033 issued and outstanding at March 31, 2016 and December 31, 2015, respectively	28	28
Additional paid-in capital	158,947	157,504
Retained deficit	(147,060)	(140,049)
Total stockholders' equity	12,472	18,040
Total liabilities, redeemable convertible preferred stock and stockholders' equity	$ 22,788	$ 26,408

See notes to unaudited condensed consolidated financial statements.

GALECTIN THERAPEUTICS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31,	
	2016	2015
	(in thousands, except per share data)	
Operating expenses:		
Research and development	$ 4,377	$ 3,136
General and administrative	2,437	1,704
Total operating expenses	6,814	4,840
Total operating loss	(6,814)	(4,840)
Other income (expense):		
Interest income	14	14
Total other income (expense)	14	14
Net loss	$ (6,800)	$ (4,826)
Preferred stock dividends	(153)	(191)
Preferred stock accretion	(57)	(57)
Net loss applicable to common stockholders	$ (7,010)	$ (5,074)
Net loss per common share — basic and diluted	$ (0.24)	$ (0.22)
Weighted average common shares outstanding — basic and diluted	28,827	23,062

See notes to unaudited condensed consolidated financial statements.

GALECTIN THERAPEUTICS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Three Months Ended March 31,	
	2016	2015
	(in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (6,800)	$ (4,826)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1	2
Stock-based compensation expense	1,223	935
Loss from equity method investment in Galectin Sciences LLC	—	—
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	129	(78)
Accounts payable and accrued expenses	1,957	(344)
Net cash used in operating activities	(3,490)	(4,311)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used in investing activities	—	—
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from issuance of common stock and warrants	—	4,532
Net cash provided by financing activities	—	4,532
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,490)	221
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	25,846	29,128
CASH AND CASH EQUIVALENTS, END OF PERIOD	$22,356	$29,349
NONCASH FINANCING ACTIVITIES:		
Payment of preferred stock dividends in common stock	$ 220	$ 260

See notes to unaudited condensed consolidated financial statements.

GALECTIN THERAPEUTICS INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

Galectin Therapeutics Inc. (the "Company") is a clinical stage biopharmaceutical company that is applying its leadership in galectin science and drug development to create new therapies for fibrotic disease and cancer. These candidates are based on the Company's targeting of galectin proteins which are key mediators of biologic and pathologic function. These compounds also may have application for drugs to treat other diseases and chronic health conditions.

The unaudited condensed consolidated financial statements as reported in this Quarterly Report on Form 10-Q reflect all adjustments which are, in the opinion of management, necessary to present fairly the financial position of the Company as of March 31, 2016 and the results of its operations for the three months ended March 31, 2016 and 2015 and its cash flows for the three months ended March 31, 2016 and 2015. All adjustments made to the interim financial statements include all those of a normal and recurring nature. The Company considers events or transactions that occur after the balance sheet date but before the financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through the date these financial statements are available to be issued. The results for interim periods are not necessarily indicative of results which may be expected for any other interim period or for the full year. The unaudited condensed consolidated financial statements of the Company should be read in conjunction with its Annual Report on Form 10-K for the year ended December 31, 2015.

The Company has operated at a loss since its inception and has had no significant revenues. The Company anticipates that losses will continue for the foreseeable future. At March 31, 2016, the Company had $22.4 million of unrestricted cash and cash equivalents available to fund future operations. The Company believes that with the cash on hand at March 31, 2016, there is sufficient cash to fund currently planned operations through March 31, 2017. The Company's ability to fund operations after its current cash resources are exhausted depends on its ability to obtain additional financing or achieve profitable operations, as to which no assurances can be given. Accordingly, based on the forecasts and estimates underlying the Company's current operating plan, the financial statements do not currently include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The Company was founded in July 2000, was incorporated in the State of Nevada in January 2001 under the name "Pro-Pharmaceuticals, Inc.," and changed its name to "Galectin Therapeutics Inc." on May 26, 2011.

2. Accrued Expenses

Accrued expenses consist of the following:

	March 31, 2016	December 31, 2015
	(in thousands)	
Legal and accounting fees	$ 55	$ 123
Accrued compensation	439	626
Accrued research and development costs and other	1,445	96
Total	$ 1,939	$ 845

3. Stock-Based Compensation

Following is the stock-based compensation expense related to common stock options, common stock, restricted common stock and common stock warrants:

	Three Months Ended March 31,	
	2016	2015
Research and development	$ 254	$ 317
General and administrative	969	618
Total stock-based compensation expense	$ 1,223	$ 935

The following table summarizes the stock option activity in the Company's equity incentive plans, including non-plan grants to Company executives, from December 31, 2015 through March 31, 2016:

	Shares	Weighted Average Exercise Price
Outstanding, December 31, 2015	3,342,325	$ 5.70
Granted	277,500	1.37
Exercised	—	—
Options forfeited/cancelled	(18,520)	6.48
Outstanding, March 31, 2016	3,601,305	$ 5.36

As of March 31, 2015, there was $1,621,000 of unrecognized compensation related to 920,468 unvested options, which is expected to be recognized over a weighted–average period of approximately 2.0 years. The weighted-average grant date fair value for options granted during the three months ended March 31, 2016 and 2015 was $1.05 and $2.78, respectively. The Company granted 277,500 stock options during the three months ended March 31, 2016, of which 69,375 options vested upon grant with the remaining 208,125 options vesting over 3 years. Approximately $73,000 of non-cash, stock-based compensation expense was recorded during the three months ended March 31, 2016 related to the options granted during the quarter that were vested upon the grant date.

The fair value of all other options granted is determined using the Black-Scholes option-pricing model. The following weighted average assumptions were used:

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Risk-free interest rate	1.7%	1.64%
Expected life of the options	6.0 years	6.0 years
Expected volatility of the underlying stock	94%	104%
Expected dividend rate	0%	0%

The following table summarizes the restricted stock grant activity in the Company's equity incentive plans from December 31, 2015 through March 31, 2016:

	Shares
Outstanding, December 31, 2015	754,605
Granted	—
Exercised	—
Options forfeited/cancelled	—
Outstanding, March 31, 2016	754,605

On March 12, 2015, the Company granted 81,352 shares of restricted stock to non-employee directors as a component of their compensation. A total of 77,784 shares were issued to seven directors representing non-cash compensation cost of $280,000 which will be recognized on a straight-line basis from the grant date through May 21, 2016, when the restricted shares will vest in full. A total of 3,568 shares were issued to two directors, who were not nominated for reelection, representing non-cash compensation cost of $12,845 that will be recognized on a straight-line basis from the grant date through May 21, 2016, when the restricted shares will vest in full.

4. Common Stock Warrants

The following table summarizes the common stock warrant activity from December 31, 2015 through March 31, 2016:

	Shares	Weighted Average Exercise Price
Outstanding, December 31, 2015	8,908,586	$ 3.18
Granted	—	—
Exercised	—	—
Forfeited/cancelled	—	—
Outstanding, March 31, 2016	8,908,586	$ 3.18

5. Fair Value of Financial Instruments

The Company has certain financial assets and liabilities recorded at fair value. Fair values determined by Level 1 inputs utilize observable data such as quoted prices in active markets. Fair values determined by Level 2 inputs utilize data points other than quoted prices in active markets that are observable either directly or indirectly. Fair values determined by Level 3 inputs utilize unobservable data points in which there is little or no market data, which require the reporting entity to develop its own assumptions. The carrying amounts reflected in the consolidated balance sheets for cash equivalents, accounts payable and accrued expenses approximate their carrying value due to their short-term nature. There were no level 2 or level 3 assets or liabilities at March 31, 2016 or December 31, 2015.

6. Loss Per Share

Basic net loss per common share is computed by dividing the net loss available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted net loss per common share is computed by dividing the net loss available to common stockholders by the weighted average number of common shares and other potential common shares then outstanding. Potential common shares consist of common shares issuable upon the assumed exercise of in-the-money stock options and warrants and potential common shares related to the conversion of the preferred stock. The computation of diluted net loss per share does not assume the issuance of common shares that have an anti-dilutive effect on net loss per share.

Dilutive shares which could exist pursuant to the exercise of outstanding stock instruments and which were not included in the calculation because their affect would have been anti-dilutive are as follows:

	March 31, 2016 (shares)	March 31, 2015 (shares)
Warrants to purchase shares of common stock	8,908,586	5,470,995
Options to purchase shares of common stock	3,601,305	3,419,734
Shares of common stock issuable upon conversion of preferred stock	2,522,936	2,527,103
	15,032,827	11,417,832

7. Common Stock

2014 At Market Issuance of Common Stock

On March 30, 2014, the Company entered into an At Market Issuance Sales Agreement (the “2014 At Market Agreement”) with a sales agent under which the Company may issue and sell shares of its common stock having an aggregate offering price of up to $30.0 million from time to time through the sales agent. Sales of the Company’s common stock through the sales agent, if any, will be made by any method that is deemed an “at the market” offering as defined by the U.S. Securities and Exchange Commission. The Company will pay to the sales agent a commission rate equal to 3.0% of the gross proceeds from the sale of any shares of common stock sold through the sales agent under the 2014 At Market Agreement. In three months ended March 31, 2015, the Company issued 1,279,416 shares of common stock for net proceeds of approximately $4,532,000 under the 2014 At Market Agreement.

8. Commitments and Contingencies

Shareholder Class Actions and Derivative Lawsuits

Between July 30, 2014, and August 6, 2014, three putative class action complaints were filed in the United States District Court for the District of Nevada (the "Nevada District Court") against the Company and certain of its officers and directors on behalf of all persons who purchased or otherwise acquired the Company's stock between January 6, 2014 and July 28, 2014. The complaints allege that the defendants made false or misleading statements in certain press releases and other public statements in violation of the federal securities laws and seek class certification, unspecified monetary damages, costs, and attorneys' fees. The Company disputes the allegations in the complaints and intends to vigorously defend against the claims. On August 22, 2014, the Nevada District Court entered an order consolidating the three cases, relieving the defendants of any obligation to respond to the complaints currently on file, and providing that defendants may respond to a consolidated amended complaint after it is filed by a lead plaintiff(s) to be appointed pursuant to the Private Securities Litigation Reform Act of 1995. On January 5, 2015, the Nevada District Court granted Defendants' motion to transfer the consolidated putative securities class action to the United States District Court for the Northern District of Georgia. On March 24, 2015, the Court appointed a lead plaintiff ("Plaintiff'). Plaintiff filed his Consolidated Class Action Complaint (the "Complaint") on May 8, 2015. The Complaint asserts claims on behalf of a putative class of all persons who purchased or otherwise acquired the Company's common stock between October 25, 2013 and July 28, 2014. The Complaint alleges that the Company and certain of its officers and directors (the "Class Action Individual Defendants") violated Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and SEC Rule 10b-5 through allegedly false or misleading statements in certain SEC filings, press releases and other public statements. The Complaint further alleges that the Class Action Individual Defendants and one of the Company's shareholders face liability for the alleged Section 10(b) and Rule 10b-5 violations pursuant to Section 20(a) of the Exchange Act. The Complaint seeks class certification, unspecified monetary damages, costs, and attorneys' fees. The Company disputes the allegations and filed a motion to dismiss the Complaint on June 26, 2015. On December 30, 2015, the Court dismissed the putative class action with prejudice and entered a final judgment in favor of the defendants. Plaintiff has filed a notice of appeal seeking review of the dismissal order and final judgment. The appeal has been docketed and is currently pending.

On August 1 and 25, 2014, persons claiming to be Galectin shareholders filed putative shareholder derivative complaints in the Nevada District Court, seeking recovery on behalf of the Company against certain of the Company's directors and officers. On September 10, 2014, the Nevada District Court entered an order consolidating the two cases, relieving the defendants of any obligation to respond to the initial complaints, and providing that defendants may respond to a consolidated complaint to be filed by the plaintiffs. On January 5, 2015, the Nevada District Court granted Defendants' motion to transfer the consolidated putative derivative litigation to the United States District Court for the Northern District of Georgia (hereinafter referred to as the "Georgia Federal Derivative Action.") The plaintiffs filed a consolidated complaint on February 27, 2015. On April 6, 2015, the Company and defendants filed motions to dismiss the consolidated complaint. Rather than respond to those motions, the plaintiffs sought and obtained leave to file an amended complaint. Plaintiffs filed their amended complaint (the "Complaint") on May 26, 2015. The Complaint alleges that certain of the Company's directors and officers (the "Derivative Action Individual Defendants") breached their fiduciary duties to the Company's shareholders by causing or permitting the Company to make allegedly false and misleading public statements concerning the Company's financial and business prospects. The Complaint also alleges that the Derivative Action Individual Defendants violated the federal securities laws by allegedly making false or misleading statements of material fact in the Company's proxy filings, committed waste of corporate assets, were unjustly enriched, and that certain defendants breached their fiduciary duties through allegedly improper sales of Galectin stock. In addition, the Complaint alleges that the Derivative Action Individual Defendants and one of the Company's shareholders aided and abetted the alleged breaches of fiduciary duties. The Complaint seeks unspecified monetary damages on behalf of the Company, corporate governance reforms, disgorgement of profits, benefits and compensation by the defendants, costs, and attorneys 'and experts' fees. The Company and defendants filed motions to dismiss the Complaint on July 8, 2015. On December 30, 2015, the United States District Court for the Northern District of Georgia dismissed the Georgia Federal Derivative Action with prejudice and entered a final judgment in favor of the defendants. Plaintiffs have filed a notice of appeal seeking review of the dismissal order and final judgment. The appeal has been docketed and is currently pending.

On August 29, 2014, another alleged Galectin shareholder filed a putative shareholder derivative complaint in state court in Las Vegas, Nevada, seeking recovery on behalf of the Company against the same Galectin directors and officers who are named as defendants in the derivative litigation pending in the Georgia Federal Derivative Action. The plaintiff in the Nevada action subsequently filed first and second amended complaints. The second amended complaint alleges claims for breach of fiduciary duties, unjust enrichment, and waste of corporate assets, based on allegations that are substantially similar to those asserted in the Georgia Federal Derivative Action (except that the Nevada action does not allege violations of the federal securities laws and does not assert any claim against the Galectin shareholder named as a defendant in the Georgia Federal Derivative Action), and seeks unspecified monetary damages on behalf of the Company, corporate governance reforms, disgorgement of profits, benefits and compensation by the defendants, costs, and attorneys' and experts' fees. The Company and defendants filed motions to dismiss the second amended complaint on April 22, 2015. On April 29, 2015, the plaintiffs in the Georgia Federal Derivative Action filed a motion to intervene in the Nevada action which, among other things, raised questions regarding the Nevada plaintiffs standing. Thereafter, the Nevada plaintiff filed a motion to join additional plaintiffs. At a hearing held on June 11, 2015, the Nevada court: (i) granted the Georgia Federal Derivative Action plaintiffs' motion to intervene; (ii) directed the Georgia Federal Derivative Action plaintiffs to file a complaint in intervention; (iii) directed the Nevada plaintiff to file a motion for leave to file a further amended complaint to add additional plaintiffs; (iv) stated that the defendants' motions to dismiss the second amended complaint were denied "at this point;" (v) ordered the Nevada action stayed until December 11 , 2015; and (vi) directed the parties to submit a status report on December 11, 2015, updating the court on the progress and status of the Georgia Federal Derivative Action. On July 9, 2015, pursuant to the Nevada State Court's instruction, the Georgia Federal Derivative Action plaintiffs filed a complaint-in-intervention in Nevada State Court, asserting similar claims to the ones they alleged in the Georgia Federal Derivative Action described above. On December 11, 2015, further to the Nevada State Court's instruction, the parties submitted status reports detailing the status of the Georgia Federal Derivative Action. On January 5, 2016, the Nevada State Court held a status conference during which the dismissal of the Georgia Federal Derivative Action was discussed. Subsequent to that conference, on January 19, 2016, the defendants filed a motion to dismiss the Nevada State Court litigation based on the dismissal of the similar Georgia Federal Derivative Action, among other grounds. Defendants' motion to dismiss was fully briefed to the Nevada court in February 2016. At a hearing on March 3, 2016, the Nevada State Court granted dismissal of the Nevada State Court litigation pending entry of a final order of dismissal. The Nevada State Court issued its order of dismissal on April 1, 2016. Defendants thereafter filed a motion requesting that the Nevada State Court correct certain language in the dismissal order. A decision on the motion is expected by June 2016.

Estimating an amount or range of possible losses resulting from litigation proceedings is inherently difficult and requires an extensive degree of judgment, particularly where the matters involve indeterminate claims for monetary damages, are in the early stages of the proceedings, and are subject to appeal. In addition, because most legal proceedings are resolved over extended periods of time, potential losses are subject to change due to, among other things, new developments, changes in legal strategy, the outcome of intermediate procedural and substantive rulings and other parties' settlement posture and their evaluation of the strength or weakness of their case against us. For these reasons, we are currently unable to predict the ultimate timing or outcome of, or reasonably estimate the possible losses or a range of possible losses resulting from, the matters described above. Based on information currently available, the Company does not believe that any reasonably possible losses arising from currently pending legal matters will be material to the Company's results of

operations or financial condition. However, in light of the inherent uncertainties involved in such matters, an adverse outcome in one or more of these matters could materially and adversely affect the Company's financial condition, results of operations or cash flows in any particular reporting period.

Other Legal Proceedings

The Company records accruals for such contingencies to the extent that the Company concludes that their occurrence is probable and the related damages are estimable. There are no other pending legal proceedings except as noted above.

9. Galectin Sciences LLC

In January 2014, we created Galectin Sciences, LLC (the "LLC" or "Investee"), a collaborative joint venture co-owned by SBH Sciences, Inc. ("SBH"), to research and develop small organic molecule inhibitors of galectin-3 for oral administration. The LLC was initially capitalized with a $400,000 cash investment to fund future research and development activities, which was provided by the Company, and specific in-process research and development ("IPR&D") contributed by SBH. The estimated fair value of the IPR&D contributed by SBH, on the date of contribution, was $400,000. Initially, the Company and SBH had a 50% equity ownership interest in the LLC, with neither party having control over the LLC. Accordingly, from inception through the fourth quarter of 2014, the Company accounted for its investment in the LLC using the equity method of accounting. Under the equity method of accounting, the Company's investment was initially recorded at cost with subsequent adjustments to the carrying value to recognize additional investments in or distributions from the Investee, as well as the Company's share of the Investee's earnings, losses and/or changes in capital. The estimated fair value of the IPR&D contributed to the LLC was immediately expensed upon contribution as there was no alternative future use available at the point of contribution. The operating agreement provides that if either party does not desire to contribute its equal share of funding required after the initial capitalization, then the other party, providing all of the funding, will have its ownership share increased in proportion to the total amount contributed from inception. In the fourth quarter of 2014, after the LLC had expended the $400,000 in cash, SBH decided not to contribute its share of the funding required. As a result, the Company contributed the $73,000 needed for the fourth quarter of 2014 expenses of the LLC. As a result, the Company's ownership percentage in the LLC was 54.2% at December 31, 2014. The Company contributed $687,000 for the LLC expenses in 2015 adjusting the Company's ownership percentage to 74.7% at December 31, 2015. The Company also contributed $227,000 for the LLC expenses in the quarter ended March 31, 2016 which adjusted the Company's ownership percentage to 77.9% at March 31, 2016. The Company accounts for the interest in the LLC as a consolidated, less than wholly owned subsidiary. Because the LLC's equity is immaterial, the value of the non-controlling interest is also deemed to be immaterial.

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

In addition to historical information, the following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements as defined under Section 21E of the Securities Exchange Act of 1934, as amended, and is subject to the safe harbor created therein for forward-looking statements. Such statements include, but are not limited to, statements concerning our anticipated operating results, research and development, clinical trials, regulatory proceedings, and financial resources, and can be identified by use of words such as, for example, "anticipate," "estimate," "expect," "project," "intend," "plan," "believe" and "would," "should," "could" or "may." All statements, other than statements of historical facts, included herein that address activities, events, or developments that the Company expects or anticipates will or may occur in the future, are forward-looking statements, including statements regarding: plans and expectations regarding clinical trials; plans and expectations regarding regulatory approvals; our strategy and expectations for clinical development and commercialization of our products; potential strategic partnerships; expectations regarding the effectiveness of our products; plans for research and development and related costs; statements about accounting assumptions and estimates; expectations regarding liquidity and the sufficiency of cash to fund currently planned operations through March 31, 2017; our commitments and contingencies; and our market risk exposure. Forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which Galectin Therapeutics operates, and management's beliefs and assumptions. These statements are not guarantees of future performance and involve certain known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties are related to and include, without limitation,

- our early stage of development,
- we have incurred significant operating losses since our inception and cannot assure you that we will generate revenue or profit,
- our dependence on additional outside capital,
- we may be unable to enter into strategic partnerships for the development, commercialization, manufacturing and distribution of our proposed product candidates,
- uncertainties related to any litigation, including shareholder class actions and derivative lawsuits filed,
- uncertainties related to our technology and clinical trials, including expected dates of availability of clinical data,
- we may be unable to demonstrate the efficacy and safety of our developmental product candidates in human trials,
- we may be unable to improve upon, protect and/or enforce our intellectual property,
- we are subject to extensive and costly regulation by the U.S. Food and Drug Administration (FDA) and by foreign regulatory authorities, which must approve our product candidates in development and could restrict the sales and marketing and pricing of such products,
- competition and stock price volatility in the biotechnology industry,
- limited trading volume for our stock, concentration of ownership of our stock, and other risks detailed herein and from time to time in our SEC reports

The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes thereto of Galectin Therapeutics appearing elsewhere herein.

Overview

We are a clinical stage biopharmaceutical company engaged in drug research and development to create new therapies for fibrotic disease and cancer. Our drug candidates are based on our method of targeting galectin proteins, which are key mediators of biologic and pathologic functions. We use naturally occurring, readily-available plant materials as starting material in manufacturing processes to create proprietary complex carbohydrates with specific molecular weights and other pharmaceutical properties. These complex carbohydrate molecules are appropriately formulated into acceptable pharmaceutical formulations. Using these unique carbohydrate-based candidate compounds that largely bind and inhibit galectin proteins, particularly galectin-3, we are undertaking the focused pursuit of therapies for indications where galectins have a demonstrated role in the pathogenesis of a given disease. We focus on diseases with serious, life-threatening consequences to patients and those where current treatment options are limited. Our strategy is to establish and implement clinical development programs that add value to our business in the shortest period of time possible and to seek strategic partners when a program becomes advanced and requires additional resources.

We endeavor to leverage our scientific and product development expertise as well as established relationships with outside sources to achieve cost-effective and efficient development. These outside sources, amongst others, provide us with expertise in preclinical models, pharmaceutical development, toxicology, clinical development, pharmaceutical manufacturing, sophisticated physical and chemical characterization, and commercial development. We also have established several collaborative scientific discovery programs with leading experts in carbohydrate chemistry and characterization. These discovery programs are generally aimed at the targeted development of new carbohydrate molecules which bind galectin proteins and offer alternative options to larger market segments in our primary disease indications, such as subcutaneous or oral administration. We also have established a discovery program aimed at the targeted development of small molecules (non-carbohydrate) which bind galectin proteins and may afford options for alternative means of drug delivery (e.g., oral) and as a result expand the potential uses of our compounds. We are pursuing a development pathway to clinical enhancement and commercialization for our lead compounds in immune enhancement for cancer therapy as well as in both liver fibrosis and fatty liver disease. All of our proposed products are presently in development, including pre-clinical and clinical trials.

Our Drug Development Programs

Galectins are a class of proteins that are made by many cells in the body. As a group, these proteins are able to bind to sugar molecules that are part of other proteins, glycoproteins, in and on the cells of our body. Galectin proteins act as a kind of molecular glue, bringing together molecules that have sugars on them. Galectin proteins, in particular galectin-3, are known to be markedly increased in a number of important diseases including inflammatory diseases, scarring of organs (e.g. liver, lung, kidney, and heart) and cancers of many kinds. The increase in galectin protein promotes the disease and is detrimental to the patient. Published data show that mice lacking the galectin-3 gene, and thus unable to produce galectin-3, are incapable of developing liver fibrosis in response to toxic insult to the liver and in fatty liver disease. We have one new chemical entity (NCE) in development, GR-MD-02, which has shown promise in preclinical and early clinical studies in treatment of fibrosis and in cancer therapy. Currently we are focusing on development of GR-MD-02 intended to be used in the treatment of liver fibrosis associated with fatty liver disease (NASH), moderate to severe plaque psoriasis, and in cancer therapy in combination with immune-system modifying agent(s). GR-MD-02 is a proprietary, patented compound derived from natural, readily available, plant-based starting materials, which, following chemical processing, exhibits the properties of binding to and inhibiting galectin-3 proteins. A second NCE, GM-CT-01 is a proprietary, patented compound that is made from a completely different starting source plant material and also binds and inhibits galectin proteins. Previously in clinical development for cancer indications, this compound continues to be explored in preclinical studies.

Our product pipeline is shown below:

Indication	Drug	Status
Fibrosis		
NASH with Advanced Fibrosis: NASH-CX trial and NASH-FX trial	GR-MD-02	IND submitted January 2013. Results from the Phase 1 clinical trial were reported in 2014, with final results reported in January 2015. End of Phase 1 meeting held with FDA in 2014. Two Phase 2 clinical trials are being conducted. The NASH CX trial, is designed for patients with cirrhosis, and the NASH FX trial is designed for patients with advanced fibrosis but not cirrhosis. The NASH FX trial top line data is expected around end of Q3-2016 and the NASH CX trial top line data is expected around the end of 2017.
Lung Fibrosis	GR-MD-02	In pre-clinical development

Indication	Drug	Status
Kidney Fibrosis	GR-MD-02	In pre-clinical development
Cardiac and Vascular Fibrosis	GR-MD-02 and GM-CT-01	In pre-clinical development
Cancer Immunotherapy		
Melanoma	GR-MD-02	Investigator IND submitted in December 2013. Phase 1B study in process. A second Phase 1B study began in Q-1 2016. Investigator IND for that study submitted in September 2015.
Psoriasis		
Moderate to Severe Plaque Psoriasis	GR-MD-02	IND submitted March 2015. A phase 2a trial in moderate to severe plaque psoriasis patients began in January 2016. Data is expected around Q3-2016.

Fibrosis. GR-MD-02 is our lead product candidate for treatment of fibrotic disease. Our preclinical data show that GR-MD-02 has a significant therapeutic effect on liver fibrosis as shown in several relevant animal models. In addition, in NASH animal models GR-MD-02 has been shown to reduce liver fat, inflammation, and ballooning degeneration or death of liver cells. Therefore, we chose GR-MD-02 as the lead candidate in a development program targeted initially at fibrotic liver disease associated with non-alcoholic steatohepatitis (NASH, or fatty liver disease). In January 2013, an Investigational New Drug ("IND") was submitted to the FDA with the goal of initiating a Phase 1 study in patients with NASH and advanced liver fibrosis to evaluate the human safety of GR-MD-02 and pharmacodynamics biomarkers of disease. On March 1, 2013, the FDA indicated we could proceed with a US Phase 1 clinical trial for GR-MD-02 with a development program aimed at obtaining support for a proposed indication of GR-MD-02 for treatment of NASH with advanced fibrosis. The Phase 1 trial was completed and demonstrated that GR-MD-02 up to 8 mg/Kg, i.v. was safe and well tolerated and the human pharmacokinetic data defined a drug dose for use in the planned Phase 2 trials. Additionally, there was evidence of a pharmacodynamic effect of GR-MD-02 at the 8 mg/kg dose with a decrease in alpha 2 macroglobulin, a serum marker of fibrotic activity, and a reduction in liver stiffness as determined by FibroScan®. An "End of Phase 1 Meeting" was held with FDA which, amongst other items, provided guidance on the primary endpoint for the Phase 2 clinical trial.

Additionally, an open label drug-drug interaction study was completed during the second quarter of 2015 with GR-MD-02 and it showed that with 8 mg/kg dose of GR-MD-02 and 2 mg/kg dose of midazolam there was no drug-drug interaction and no serious adverse events or drug-related adverse events were observed. This study was required by the U.S. Food and Drug Administration (FDA) and the primary objective was to determine if single or multiple intravenous (IV) doses of GR-MD-02 affect the pharmacokinetics (PK) of midazolam. The secondary objective was to assess the safety and tolerability of GR-MD-02 when administered concomitantly with midazolam. The lack of a drug interaction in this study enables Galectin to expand the number of patients eligible for its Phase 2 clinical trial. In addition, should GR-MD-02 be approved for marketing, the success of this study supports a broader patient population for the drug label.

Our Phase 2 program in fibrotic disease consists of two separate human clinical trials. The first clinical trial is the NASH-CX study for patients with NASH with cirrhosis, which began enrolling in June 2015. This study is a randomized, placebo-controlled, double-blind, parallel-group Phase 2 trial to evaluate the safety and efficacy of GR-MD-02 for the treatment of liver fibrosis and resultant portal hypertension in patients with NASH cirrhosis. A total of 156 patients at approximately 50 sites in the United States will be randomized to receive either 2 mg/kg of GR-MD-02, 8 mg/kg of GR-MD-02 or placebo, with 52 patients in each group. The primary endpoint is a reduction in change in hepatic venous pressure gradient (HVPG). Patients will receive an infusion every other week for one year, total of 26 infusions, and will be evaluated to determine the change in HVPG as compared with placebo. HVPG will be correlated with secondary endpoints of fibrosis on liver biopsy as well as with measurement of liver stiffness (FibroScan(R)) and assessment of liver metabolism (^{13}C-methacetin breath test, Exalenz), which are non-invasive measures of the liver that may be used in future studies. Data readout is expected by the end of 2017.

The second clinical trial is the NASH-FX for patients with NASH advanced fibrosis uses a variety of non-invasive fibrosis assessment technologies. The first patient in this 30 patient study was consented in September 2015, and the study is designed for 15 patients receiving 8 mg/kg of GR-MD-02 and 15 receiving placebo to be treated. That study will evaluate the safety and efficacy of GR-MD-02 for a four month treatment period of bi-weekly infusions of GR-MD-02 on non-invasive measures on liver stiffness as assessed imaging of liver fibrosis using multi-parametric magnetic resonance imaging (LiverMultiScan(R), Perspectum Diagnostics), as the primary endpoint, as well as magnetic resonance-elastography and FibroScan score, as secondary endpoints. Top-line data is expected to be available in the third quarter of 2016.

Our drug candidate provides a promising new approach for the therapy of fibrotic diseases, and liver fibrosis in particular. Fibrosis is the formation of excess connective tissue (collagen and other proteins plus cellular elements such as myofibroblasts) in response to damage, inflammation or repair. When the fibrotic tissue becomes confluent, it obliterates the cellular architecture, leading to scarring and dysfunction of the underlying organ. Given galectin-3's broad biological functionality, it has been demonstrated to be involved in cancer, inflammation and fibrosis, heart disease, renal disease and stroke. We have further demonstrated the broad applicability of the actions of our galectin-3 inhibitor's biological effect in ameliorating fibrosis involving lung, kidney and cardiac tissues in a variety of animal models.

The focus and goal of the therapeutic program is to stop the progression of and reverse the fibrosis in the liver and, thereby improve liver function and prevent the development of complications of fibrosis/cirrhosis and liver-related mortality in patients.

Cancer Immunotherapy. We believe there is potential for galectin inhibition to play a key role in the burgeoning area of cancer immunotherapy. For example, there have been several recent approvals of drugs that enhance a patient's immune system to fight cancer. With many additional vaccines and immune stimulatory agents in development, industry analysts forecast that this market could generate over $35 billion in sales over the next 10 years. It is our goal to use a galectin inhibitor to enhance the immune system function to fight cancer in a way that complements other approaches to this type of therapy. Our drug candidates provide a promising new therapeutic approach to enhance the activity of the immune system against cancer cells. Preclinical studies have indicated that GR-MD-02 enhances the immune response to cancer cells, increased tumor shrinkage and enhanced survival in immune competent mice with prostate, breast, melanoma and sarcoma cancers when combined with one of the immune checkpoint inhibitors, anti-CTLA-4 or anti-PD-1. These preclinical data led to the filing of an Investigator-sponsored IND and the initiation of a study of GR-MD-02 in combination with Yervoy® (ipilimumab) in a Phase 1B study of patients with metastatic melanoma. This study is being conducted under the sponsorship of Providence Portland Medical Center's Earle A. Chiles Research Institute (EACRI). A study with Keytruda and GRMD-02 is conducted by EACRI is expected to begin enrolling by April 2016.

We believe the mechanism of action for GR-MD-02 is based upon interaction with, and inhibition of, galectin proteins, particularly galectin-3, which are expressed at high levels in certain pathological states including inflammation, fibrosis and cancer. While GR-MD-02 is capable of binding to multiple galectin proteins, we believe that it has the greatest affinity for galectin-3, the most prominent galectin implicated in pathological processes. Blocking galectin in cancer and liver fibrosis has specific salutary effects on the disease process, as discussed below.

Psoriasis. During our Phase 1 NASH fibrosis trial with GR-MD-02, a clinical effect on plaque psoriasis was observed in a NASH patient who also had this disease. This patient had marked improvement in her psoriasis, with improvement beginning after the third infusion. She reported that her psoriasis was "completely gone" and her skin was "normal" after the fourth infusion. Her skin remained normal for 17 months after the final infusion of study drug. The patient is convinced that the improvement in her psoriasis is related to the study drug.

This serendipitous finding, combined with galectin-3 protein being markedly upregulated in the capillary epithelia (small blood vessels) of the psoriatic dermis (plaque lesions), led to a phase 2a trial in patients with moderate to severe plaque psoriasis. GR-MD-02 inhibition of galectin-3 may attenuate capillary changes in the psoriatic dermis and inflammatory recruitment, perhaps explaining the improvements observed in the NASH fibrosis trial patient. In this open-label, unblinded trial (no placebo, all patients knowingly receive active drug), 10 patients with moderate to severe plaque psoriasis are administered GR-MD-02 every two weeks for 12 weeks. We anticipate top line data for this trial by the end of the third quarter of 2016.

Results of Operations

Three Months Ended March 31, 2016 Compared to Three Months Ended March 31, 2015

Research and Development Expense.

	Three Months Ended March 31,		2016 as Compared to 2015 Three Months	
	2016	2015	$ Change	% Change
	(In thousands, except %)			
Research and development	$4,377	$3,136	$ 1,241	40%

We generally categorize research and development expenses as either direct external expenses, comprised of amounts paid to third party vendors for services, or all other research and development expenses, comprised of employee payroll and general overhead allocable to research and development. We consider a clinical program to have begun upon acceptance by the FDA, or similar agency outside of the United States, to commence a clinical trial in humans, at which time we begin tracking expenditures by the product candidate. Clinical program expenses comprise payments to vendors related to preparation for, and conduct of, all phases of the clinical trial, including costs for drug manufacture, patient dosing and monitoring, data collection and management, oversight of the trials and reports of results. Pre-clinical expenses comprise all research and development amounts incurred before human trials begin, including payments to vendors for services related to product experiments and discovery, toxicology, pharmacology, metabolism and efficacy studies, as well as manufacturing process development for a drug candidate.

We have two product candidates, GR-MD-02 and GM-CT-01; however only GR-MD-02 is in active development. We filed for an IND for GR-MD-02 in January 2013 and in February 2013 we entered into an agreement with CTI to conduct a Phase 1 clinical trial of GR-MD-02. In March 2013, the FDA indicated we could proceed with a Phase 1 human clinical trial of GR-MD-02, and we began enrolling patients in the third quarter of 2013. In January 2014, we completed the enrollment of the first cohort of patients in the Phase 1 trial with no serious adverse events being reported. We reported initial safety and tolerability results from the first cohort of patients on March 31, 2014. The second cohort of this Phase 1 trial began and enrollment was completed in April 2014. In July 2014, we reported the results from the second cohort of patients. Enrollment of the third cohort of Phase 1 began in July 2014 with interim results presented in November 2014 with the final report on cohort 3 presented in January 2015. The results of the Phase 1 study demonstrate that (i) GR-MD-02 was safe and well tolerated by patients with advanced NASH liver fibrosis after IV administration of four doses of 2 mg/kg, 4 mg/kg and 8mg/kg lean body weight, (ii) Pharmacokinetics revealed drug exposure in humans at the 8 mg/kg dose that was equivalent to the upper range of the targeted therapeutic dose determined from effective doses in NASH animal models, (iii) Disease Serum Marker Effect showed there was a statistically significant, dose-dependent reduction in FibroTest ® scores due to a statistically significant reduction in alpha-2 macroglobulin (A2M) serum levels, and (iv) Liver Stiffness Effect, as measured by FibroScan ® showed that there was a signal of reduced liver stiffness in patients receiving GR-MD-02. The reduction seen in A2M does *not* necessarily mean fibrosis got better in this short study, but does suggest changes in the fibrogenic process that might lead to an improvement in fibrosis with longer-term therapy. These Phase 1 results in NASH patients with advanced fibrosis provide a firm foundation for entry into a Phase 2 development program.

The Company held an “End of Phase 1 meeting” with the FDA and, amongst other things, received guidance on the primary endpoints for a Phase 2 trial. In Phase 2 we are exploring two indications, NASH cirrhosis and NASH with advanced fibrosis. The NASH-CX trial is designed to target a patient population with cirrhosis due to NASH. The study endpoints will include those that are closely associated with outcomes in patients with cirrhosis with the primary endpoint: chosen as hepatic venous pressure gradient (HVPG). HVPG is reflective of portal pressure and portal hypertension is responsible for most of the complications resulting from cirrhosis; a reduction in HVPG is associated with a reduction in complications of cirrhosis and reduced mortality. Planned secondary endpoints include: morphometric analysis of collagen on liver biopsies, a change in histopathological stage, and other secondary endpoints will include non-invasive tests to evaluate for correlation with HVPG and liver collagen. We have awarded the contract for the NASH-CX trial to a CRO, PPD Development, L.P., and enrollment began in June 2015 to assess the efficacy of GR-MD-02 in patients with NASH cirrhosis. On March 11, 2016, we entered into a Project Addendum Modification with PPD Development, L.P. (“PPD”) amending our Project Addendum to Master Services Agreement for clinical management services, which we entered into on March 6, 2015.

The timing of initial results from the NASH-CX are dependent upon the rate of patient enrollment, amongst other factors, but we anticipate top line results around the end of 2017. In the indication of NASH with advanced fibrosis, we are conducting a single site, placebo controlled, randomized clinical trial (NASH-FX) to evaluate 4 months of treatment on patients with stage 3 bridging fibrosis. This trial was initiated in the third quarter of 2015 with top line results expected to be available around the end of the third quarter of 2016. Our Phase 2 clinical program is designed to position the Company for a strong Phase 3 clinical trial program.

Additionally, during the Phase 1 clinical trial, there appeared to be a potential beneficial effect on at least one patient's moderate to severe psoriasis. As a result, we are conducting a single site, 10 patient, open label clinical trial with GR-MD-02 to determine whether more extensive studies in this indication are warranted. Enrollment of patients in this trial began in January 2016.

An open label drug-drug interaction study was completed with GR-MD-02 and it showed that with 8 mg/kg dose of GR-MD-02 and 2 mg/kg dose of midazolam there was no drug-drug interaction and no serious adverse events or drug-related adverse events were observed. This study was required by the FDA and the primary objective was to determine if single or multiple intravenous (IV) doses of GR-MD-02 affect the pharmacokinetics (PK) of midazolam. The secondary objective was to assess the safety and tolerability of GR-MD-02 when administered concomitantly with midazolam. The lack of a drug interaction in this study enables Galectin to expand the number of patients eligible for its Phase 2 clinical trial. In addition, should GR-MD-02 be approved for marketing, the success of this study supports a broader patient population for the drug label.

Based on guidance from FDA and in furtherance of its understanding of the GR-MD-02 molecule, we continue to enhance its chemistry, manufacturing and control procedures on GR-MD-02 active pharmaceutical ingredient (API) as well as on the finished, sterile, pharmaceutical dosage form. Various state of the art and cutting-edge analytical technologies are being utilized, for example, to characterize and quantify the backbone vs. side-chain constituents and their quantitation, use of sophisticated linkage analysis with 2-D NMR to provide both qualitative and quantitative information on the proportion of oligomers, degree of methylation, as well as other monoclonal specific antibody techniques to map GR oligomer integrity and distribution. The Company has also characterized how the GR molecule behaves under conditions of forced degradation

Our research and development expenses were as follows:

	Three Months Ended March 31,	
	2016	2015
	(in thousands)	
Direct external expenses:		
Clinical activities	$3,407	$2,073
Pre-clinical activities	305	442
All other research and development expenses	665	621
	$4,377	$3,136

Clinical programs expenses increased primarily due to costs related to our Phase 2 clinical trials during the three months ended March 31, 2016 as compared to the same period in 2015. As we continue our Phase 2 trials, we expect our clinical activities costs will increase and may fluctuate from quarter to quarter as the trials progress. Pre-clinical activities decreased primarily because we have completed pre-clinical work directly related to our Phase 2 clinical trial program. Other research and development expense increased primarily due to the hiring of our executive director of clinical development in June 2015.

Both the time required and costs we may incur in order to commercialize a drug candidate that would result in material net cash inflow are subject to numerous variables, and therefore we are unable at this stage of our development to forecast useful estimates. Variables that make estimates difficult include the number of clinical trials we may undertake, the number of patients needed to participate in the clinical trial, patient recruitment uncertainties, trial results as to the safety and efficacy of our product, and uncertainties as to the regulatory agency response to our trial data prior to receipt of marketing approval. Moreover, the FDA or other regulatory agencies may suspend clinical trials if we or an agency believes patients in the trial are subject to unacceptable risks, or find deficiencies in the conduct of the clinical trial. Delays or rejections may also occur if governmental regulation or policy changes during our clinical trials or in the course of review of our clinical data. Due to these uncertainties, accurate and meaningful estimates of the ultimate cost to bring a product to market, the timing of costs and completion of our program and the period during which material net cash inflows will commence are unavailable at this time.

General and Administrative Expense.

	Three Months Ended March 31,		2016 as Compared to 2015 Three Months	
	2016	2015	$ Change	% Change
	(In thousands, except %)			
General and administrative	$2,437	$1,704	$ 733	43%

General and administrative expenses consist primarily of salaries including stock based compensation, legal and accounting fees, insurance, investor relations, business development and other office related expenses. The primary reason for the increase in general and administrative expenses for the three-months ended March 31, 2016 as compared to the same period in 2015 is due to recording of severance of $300,000, acceleration of non-cash, stock-based compensation expense of $578,000 related to the termination of the Company's executive chairman in January 2016.

Liquidity and Capital Resources

Since our inception on July 10, 2000, we have financed our operations from proceeds of public and private offerings of debt and equity. As of March 31, 2016, we raised a net total of $122.5 million from these offerings. We have operated at a loss since our inception and have had no significant revenues. We anticipate that losses will continue for the foreseeable future. At March 31, 2016, we had $22.4 million of unrestricted cash and cash equivalents available to fund future operations. We believe that with the cash on hand at March 31, 2016, there is sufficient cash to fund currently planned operations through March 31, 2017. Our ability to fund operations after our current cash resources are exhausted depends on our ability to obtain additional financing or achieve profitable operations, as to which no assurances can be given. Accordingly, based on the forecasts and estimates underlying our current operating plan, the financial statements do not currently include any adjustments that might be necessary if we are unable to continue as a going concern.

Net cash used in operations decreased by $821,000 to $3,490,000 for the three months ended March 31, 2016, as compared to $4,311,000 for the three months ended March 31, 2015. Cash operating expenses decreased principally just due to timing of payments for research and development activities related to our clinical trial activity with GR-MD-02.

Net cash provided by financing activities the three months ended March 31, 2015, of $4,532,000 represents net proceeds from the sale of common stock.

Other.

We have engaged outside vendors for certain services associated with our clinical trials. These services are generally available from several providers and, accordingly, our arrangements are typically cancellable on 30 days notice.

Off-Balance Sheet Arrangements

We have not created, and are not a party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating parts of our business that are not consolidated into our financial statements. We do not have any arrangements or relationships with entities that are not consolidated into our financial statements that are reasonably likely to materially affect our liquidity or the availability of capital resources.

Application of Critical Accounting Policies and Estimates

The preparation of condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to intangible assets, accrued expenses, stock-based compensation, contingencies and litigation. We base our estimates on historical experience, terms of existing contracts, our observance of trends in the industry, information available from other outside sources and on various other factors that we believe to be appropriate under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting policies are those policies that affect our more significant judgments and estimates used in preparation of our consolidated financial statements. We believe our critical accounting policies include our policies regarding stock-based compensation, accrued expenses and income taxes. For a more detailed discussion of our critical accounting policies, please refer to our 2015 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact our financial position, operating results or cash flows due to changes in the U.S. interest rates. The primary objective of our investment activities is to preserve cash until it is required to fund operations. To minimize risk, we maintain our portfolio of cash and cash equivalents in operating bank accounts and money market funds. Since our investments are short-term in duration, we believe that we are not subject to any material market risk exposure.

Item 4. Controls and Procedures

Our management, with the participation of the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934) and concluded that, as of March 31, 2016, our disclosure controls and procedures were effective at a reasonable assurance level. During the quarter ended March 31, 2016, no change in our internal control over financial reporting has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

None except as discussed in Note 8 to our condensed consolidated financial statements included in this report.

Item 1A. Risk Factors

The information set forth in this report should be read in conjunction with the risk factors set forth in Item 1A, "Risk Factors," of Part I of our Annual Report on Form 10-K for the year ended December 31, 2015, which could materially impact our business, financial condition or future results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

On May 6, 2016, the Company entered into an employment agreement with Dr. Traber (the "Employment Agreement") for a three year term beginning May 6, 2016. Upon expiration of that term, the Employment Agreement provides that Dr. Traber's employment with the Company will continue indefinitely for additional one-year terms unless either party provides at least three months' notice that the employment will not continue beyond the end of the then current term. The Employment Agreement supersedes the prior employment agreement between the Company and Dr. Traber (which was executed on March 7, 2011).

The Employment Agreement provides that Dr. Traber will continue to serve as the Company's President and Chief Executive Officer during the term thereof. In addition, unless Dr. Traber appoints (subject to any required approval of the Company's board of directors (the "Board")) an individual other than himself as Chief Medical Officer, he will continue to serve in that role as well.

The Employment Agreement provides for an initial annual salary in the amount of $512,500, which may be adjusted by the Board in subsequent years based on annual industry surveys of executive compensation in comparable companies. In addition to his salary, Dr. Traber is entitled to (i) an annual performance bonus (which, upon achieving target performance, would equal 50% of his base salary for the applicable year), (ii) an annual equity or equity-based grant in a form and amount determined by the Board, (iii) participate in incentive, retirement, profit-sharing, life, medical, disability and other plans generally available to senior executives of the Company, (iv) up to four weeks vacation, (v) $2,000,000 life insurance coverage and long-term disability insurance at the Company's expense, and (vi) coverage under certain liability insurance policies maintained by the Company.

If his employment is terminated (i) by the Company without Cause (as defined in the Employment Agreement), or (ii) by Dr. Traber for Good Reason (as defined in the Employment Agreement), the Employment Agreement provides that, subject to his execution of a release of claims against the Company, Dr. Traber will receive (A) severance benefits equal to one year of his then current base salary (paid over time, but subject to Dr. Traber's ability to request a lump-sum payment if such election does not otherwise violate Section 409A of the Internal Revenue Code of 1986, as amend (the "Code")), (B) any bonus for the year prior to termination to the extent not otherwise paid prior to such termination, (C) a prorated bonus for the year of termination, (D) COBRA coverage at a reduced premium (or a cash payment in lieu of such reduced-cost coverage) for the two-year period following termination, (E) immediate vesting of all unvested options held by Dr. Traber at the time of his termination, and (F) an extension of the post-termination exercise period of all of his options until the date such options would have otherwise expired if he remained employed by the Company.

The Employment Agreement provides that during its term Dr. Traber will not engage in any business competitive with the Company, whether as employee, consultant, agent, principal, officer, director, shareholder or otherwise. Following employment, the Employment Agreement provides that Dr. Traber will not (i) accept business from the Company's customers or accounts relating to "competing products" or services of the Company for a period of 12 months, or (ii) render services to any "competing organization" (as such quoted terms are defined in the Employment Agreement) for a period of six months. The Employment Agreement also contains provisions binding Dr. Traber with respect to (A) protection of the Company's confidential information; (B) requirements to disclose and assign inventions or other intellectual property to the Company; (C) non-solicitation of the Company's executives, or persons with whom the Company has a business relationship such as investors, suppliers and customers; and (D) advance review and approval of all writings he proposes to publish.

The Employment Agreement states that, other than as set forth above in respect of vesting and expiration following termination of Dr. Traber's employment by the Company without Cause or by Dr. Traber for Good Reason, the outstanding options that are held by Dr. Traber will remain outstanding pursuant to the agreements governing any such options.

The Employment Agreement provides that, in the event Dr. Traber becomes eligible to receive compensation that would be subject to an excise tax pursuant to Code Section 4999, then, to the extent it would leave Dr. Traber in a better net after-tax position, such payments will be reduced to the extent necessary to avoid said excise tax.

The foregoing description of the Employment Agreement is not complete and is qualified in its entirety by the full text of the agreement, a copy of which is filed as Exhibit 10.1 to this report and incorporated herein by reference.

Item 6. Exhibits

Exhibit Number	Description of Document	Note Reference
10.1*	Employment Agreement dated May 6, 2016 between Galectin Therapeutics Inc. and Peter G. Traber, M.D.	
31.1*	Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934	
31.2*	Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934	
32.1**	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
32.2**	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
101.INS	XBRL Instance Document*	
101.SCH	XBRL Taxonomy Extension Schema Document*	
101.CAL	XBRL Taxonomy Calculation Linkbase Document*	
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*	
101.LAB	XBRL Taxonomy Label Linkbase Document*	
101.PRE	XBRL Taxonomy Presentation Linkbase Document*	

* Filed herewith.

** Furnished herewith and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on May 10, 2016.

GALECTIN THERAPEUTICS INC.

By: /s/ Peter G. Traber
Name: Peter G. Traber, M.D.
Title: Chief Executive Officer and President (principal executive officer)

/s/ Jack W. Callicutt
Name: Jack W. Callicutt
Title: Chief Financial Officer
(principal financial and accounting officer)

Exhibit 10.1

GALECTIN THERAPEUTICS INC.
EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is entered into as of this 6th day of May, 2016 (the "Effective Date") by and between GALECTIN THERAPEUTICS INC., a Nevada corporation, having its principal executive office at 4960 Peachtree Industrial Blvd., Suite 240, Norcross, Georgia (the "Company"), and PETER G. TRABER, M.D., an individual residing in Johns Creek, Georgia (the "Executive").

WHEREAS, the Company is engaged in the business of biotechnology drug development;

WHEREAS, the Executive has extensive knowledge, training and experience in the science and know-how of drug development, as well as the bringing of new drugs to market;

WHEREAS, the Executive is currently employed as the President, Chief Executive Officer ("CEO") of the Company;

WHEREAS, the Executive also serves as the Company's Chief Medical Officer ("CMO") as well as a member of the Company's Board of Directors (the "Board"); and

WHEREAS, the Executive and the Company are parties to that certain employment agreement, effective as of March 7, 2011 (the "Prior Agreement"); and

WHEREAS, this Agreement is intended to set forth the terms and conditions of the Executive's services to the Company from and after the Effective Date, and is specifically intended to supersede the Prior Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration the receipt of which is hereby acknowledged, the parties mutually agree as follows:

Secton 1. Term and Scope of Employment. The Company agrees to employ the Executive and the Executive agrees to be employed by Company with the title of President, CEO for an initial term of three (3) years, commencing on the Effective Date and ending at the close of business on third anniversary of the Effective Date ("Initial Term"), unless extended thereafter for one-year additional terms (each referred to herein as a "Successive Term") as provided in Section 8 below, or unless terminated earlier during any Initial Term or Successive Term as described and provided for in Section 7 below. In addition, during the Initial Term and any Successive Term, as applicable, and unless terminated earlier during any Initial Term or Successive Term as described and provided for in Section 7 below, the Executive may continue to serve as CMO until such time as the Executive nominates a successor CMO, and the Board approves the appointment of such successor CMO to the extent such approval is required.

Secton 2. Devotion of Full Time and Effort.

(a) The Executive agrees to devote his full time and effort to the business and affairs of the Company and that, to the best of the Executive's ability and experience, the

Executive will, at all times, faithfully, industriously and conscientiously perform, to the Company's reasonable satisfaction, all of the duties and obligations of the President, CEO of the Company and, unless and until a successor CMO has been duly appointed, CMO of the Company, which, in the aggregate, shall include, but not be limited to, overall responsibility of managing the Company with final decision making authority in all company-related matters that are not in the direct purview of the Board or any committee thereof pursuant to their respective charters, including, without limitation, all operational and strategic matters, subject to general oversight by the Board, the hiring and dismissal of executives, salary and compensation for all executives and consultants, approval of all finance, fund-raising activities, company operations, regulatory affairs, discovery research, clinical development, investor relations, licensing, partnerships, and other corporate activities such as public relations, press releases, digital media, mergers, acquisitions and/or divestitures and all other duties as are customarily performed by the President, CEO and/or CMO (to the extent no successor CMO has been duly appointed) in a similar position as well as such other unrelated services and duties of an executive character as may reasonably be assigned to the Executive from time to time by the Board and/or any executive committee of the Board that has been approved by the Board and delegated authority by the Board.

(b) The Executive shall perform his duties primarily at the principal offices of the Company in Norcross, Georgia, and at such other place(s) as the need, business, or opportunities of the Company may reasonably require from time to time.

(c) The Executive hereby agrees not to accept or to continue in any appointment to any employment, consultancy, management or board position with any other profit or non-profit company without the prior approval of the Board or the Chairman of the Company, which approval will not be unreasonably withheld or delayed. This notwithstanding, nothing herein shall prohibit the Executive from being an investor in another company such as a member of a limited liability company, a limited partner of a limited partnership or a stockholder of a corporation, unless (i) the Executive holds a general partner, manager, employee, consultant or associated Board position in such entity, or (ii) such ownership would violate the Executive's covenants set forth in Section 10 below.

(d) Subject to the Executive's rights under Section 7, the Executive acknowledges and agrees that the Executive's employment with the Company is "at-will" and that no provision contained in this Agreement shall entitle the Executive to remain in the employment of the Company.

Secton 3. Compensation.

(a) Salary. In consideration of all of the services rendered by the Executive under the terms of this Agreement, the Company shall pay to the Executive a base salary at the annualized rate of $512,500 ("Base Salary"), subject to required withholdings, payable in equal amounts in accordance with the Company's payroll practices in effect from time to time. The Company agrees that, on an annual basis during each year during the Initial Term or any Successive Term, as applicable, the Company shall conduct or

cause to be conducted a survey to determine the compensation of Presidents/CEOs of comparable companies (*i.e.*, companies of comparable size and position). Should the Board, in its sole discretion, determine that the survey indicates that other Presidents/CEOs of comparable companies are being paid more than the Executive and that the Company, in the Board's sole and unfettered discretion, can afford the increase, the Board shall raise the Executive's Base Salary to a level which seems appropriate based on the salaries of Presidents/CEOs of comparable companies provided that the Executive is still in the Company's employ.

(b) Annual Bonus. The Executive will be eligible to earn an annual performance bonus (the "Annual Bonus"). The Annual Bonus will be based upon the Board's (or the authorized committee of the Board's) assessment of the Executive's performance and the Company's attainment of objectives as mutually agreed between the Board and the Executive, which may include written targeted performance objectives for the Executive and/or the Company. The target amount of each Annual Bonus will equal fifty percent (50%) of the Base Salary in effect for the applicable performance year. Annual Bonus payments, if any, will be subject to applicable payroll deductions and withholdings. Following the close of each calendar year, the Board (or the authorized committee thereof) will determine whether the Executive has earned an Annual Bonus, and the amount of any such bonus, based on the achievement of the applicable goals. No amount of Annual Bonus is guaranteed, and the Executive must be an employee on the Annual Bonus payment date to be eligible to receive an Annual Bonus. The Annual Bonus, if earned, will be paid no later than ninety (90) days after the end of the applicable fiscal year.

(c) Annual Equity Grant. The Executive will be eligible for an annual equity or equity-based award grant in the same form as is generally approved by the Board (or an authorized committee thereof) for the senior executives of the Company, if any (any such award, an "Annual Equity Award"). As of the Effective Date, the Annual Equity Award is expected to be in the form of an annual incentive option grant which is awarded on a schedule that is similar to the Annual Bonus described in Section 3(b) above, but that may change at the discretion of the Board.

(d) Reimbursement of Expenses. The Company shall reimburse the Executive, in accordance with the Company's policies and practices in effect from time to time, for all out-of-pocket expenses reasonably incurred by the Executive in performance of the Executive's duties under this Agreement. The Executive is responsible for proper substantiation and reporting of all such expenses in accordance with Company rules, regulations, policies and practices in effect from time to time. The Executive shall consult a tax advisor of his own choosing to determine the taxability of any reimbursements made hereunder and the record keeping requirements therefor.

Secton 4. Benefits.

(a) The Executive will be entitled to participate in all incentive, retirement, profit-sharing, life, medical, disability and other benefit plans and programs (collectively "Benefit Plans") as are from time to time generally available to other senior executives of

the Company, subject to the provisions of those programs. Without limiting the generality of the foregoing, the Company will provide the Executive and his qualifying dependents with basic medical benefits on the terms that such benefits are provided to other senior executives of the Company.

(b) The Executive will also be entitled to holidays, sick leave and vacation in accordance with the Company's policies as they may be in effect from time to time and which are subject to change at any time at the Company's sole discretion. Notwithstanding the foregoing, during the Executive's employment with the Company, the Executive shall accrue paid vacation time at the rate of not less than 1 and 2/3 of a day per month (four weeks total should the Executive remain employed for the full year). Vacation leave shall accrue on the last day of each month.

(c) The Company further agrees to provide the Executive with life insurance at Company's sole expense with a benefit amount of $2,000,000 and with long-term disability insurance at Company's sole expense during the Executive's employment with the Company. These benefits shall terminate upon the Executive's termination from employment with the Company for any reason, except that the Company shall cooperate in assigning any life insurance policy held on the Executive's life to the Executive upon termination of his employment so long as the Executive assumes liability for paying all premiums thereon for the period from and after said termination date.

(d) During the Executive's employment with the Company, the Company shall maintain the insurance (or replacement insurance with substantially similar coverage) it currently has (or replacement insurance with substantially similar coverage) with respect to (i) directors' and officers' liability, (ii) errors and omissions and (iii) general liability insurance providing coverage to the Executive to the same extent as other senior executives and directors of the Company. The Executive's coverage under such insurance shall terminate upon the Executive's leaving of the Company's employ for any reason.

(e) Other than as specifically provided for herein, all benefits shall cease upon the Executive's termination from employment with the Company for any reason. All amounts payable or benefits provided to the Executive hereunder shall be subject to applicable withholding.

Secton 5. Equity Awards and Ownership Issues.

(a) Prior Awards. Except as specifically provided Section 7(d) hereof, nothing in this Agreement shall amend or otherwise affect any stock options or other equity or equity-based awards that were made to the Executive prior to the Effective Date (the "Prior Awards"). Except as specifically provided Section 7(d) hereof, the Prior Awards shall continue to be governed by the Prior Agreement and the applicable plans and grant agreements, including, without limitation, for purposes of determining the treatment of such Prior Awards in the event of the Executive's termination of employment.

(b) Future Awards. From time to time on or after the Effective Date, the Company (through action of the Board or an authorized committee thereof) may, but shall not be obligated to, grant additional equity or equity-based awards to the Executive that are separate from the Annual Equity Award. The terms of any such awards shall be based on the applicable plans and grant agreements governing such awards as determined by the Board or the authorized committee thereof.

(c) Sale of Shares. The Executive hereby agrees that he will only sell any securities in the Company to the extent such sale would comply with applicable law and relevant policies of the Company (e.g., policies addressing ownership requirements and trading blackout periods).

Secton 6. Compliance with Company Policy. During the Executive's employment with the Company, the Executive shall observe all Company rules, regulations, policies, procedures and practices in effect from time to time, including, without limitation, such policies and procedures as are contained in the Company policy and procedures manual, as may be amended or superseded from time to time.

Secton 7. Termination of Employment. Except as provided in this Section 7, the Executive shall be entitled to no further salary or benefits other than those earned or accrued but unpaid as of the date of his termination of the employment with the Company. Upon the Executive's termination of employment, the Executive shall, without any further action on his part, be deemed to have resigned from any position that he may then hold as a member of any committee overseeing any benefit plan of the Company and, except as set forth in the following sentence, from any other position he may then hold as an officer or director of the Company or any affiliate thereof. For the avoidance of doubt, following his termination of employment, nothing herein shall preclude the Executive from continuing to serve as a member of the Board or continuing to provide services (as an employee or otherwise) to Galectin Sciences, LLC ("Sciences"); provided that any continued service on the Board beyond the end of any applicable term shall be subject to his nomination by the applicable committee of the Board and his election by the shareholders of the Company; and provided further that any continued service to Sciences shall be at the discretion of Sciences and its managers. The Executive's employment with the Company may be terminated prior to the end of the Initial Term or any applicable Successive Term for any of the following reasons:

(a) By the Company for Cause.

(i) The Company may, at its sole discretion, upon following the procedures in clauses (ii) and (iii) below, terminate the employment of the Executive for Cause prior to the expiration of the Initial Term or any Successive Term if the Executive engages in conduct that is reasonably determined by the Board to constitute Cause during the Initial Term or any Successive Term, subject, if applicable, to the findings of the Arbitrator as described in Section 7(a)(v). For purposes of this Agreement, the term "Cause" means the Executive:

(A) Fails or refuses in any material respect to perform any duties, consistent with his position or those of an executive character which may reasonably be assigned to him by the Board (or an authorized committee thereof) or materially violates company policy or procedure;

(B) Is grossly negligent in the performance of his duties hereunder;

(C) Commits any act of fraud, willful misappropriation of funds, embezzlement or material dishonesty with respect to the Company;

(D) Is convicted of a felony or other criminal violation, which, in the reasonable judgment of the Company, could materially impair the Company from substantially meeting its business objectives;

(E) Engages in any other intentional misconduct adversely affecting the business or affairs of the Company in a material manner; provided that for this purpose the phrase "intentional misconduct adversely affecting the business or affairs of the Company" shall mean such misconduct that is detrimental to the business or the reputation of the Company as it is perceived both by the general public and the biotechnology industry;

(F) Dies; or

(G) Due to illness or injury, is unable to perform substantially all of his essential duties for four consecutive months.

(ii) With respect to matters referred to in Section 7(a)(i)(A) and (B) above, the Executive shall not be terminated unless the Company has given the Executive written notice of, and opportunity to cure, the alleged Cause for termination and the Executive has not fully cured the cause within (30) days of receipt of such written notice thereof (the "Cure Period"). Should the Executive fail to fully cure within thirty (30) days of receipt of such written notice, the Executive's employment shall terminate at the close of business on the last day of the Cure Period. Furthermore, there shall not be Cause for termination under Sections 7(a)(i)(A) if the Executive unintentionally fails in any material respect to perform any duties consistent with his position or those which may reasonably be assigned to him by the Board because of the Executive's physical or mental disability. In such case, the provisions of Section 7(a)(i)(G) would control. During said Cure Period, the Executive's salary and benefits shall continue. Following termination, however, the Executive shall not be entitled to any further salary or benefits other than those previously accrued but unpaid through the date of termination. With respect to matters referred to in (a)(i)(C) through (G) above, the Executive may be terminated immediately without an opportunity to cure and shall not be entitled to payment of any further salary or benefits other than those previously accrued but unpaid through the date of termination.

(iii) The Company may only take action to terminate the Executive for Cause under Section 7(a)(i)(A) through (E) if (A) the Executive has been given

reasonable notice of the allegations upon which Cause is deemed to exist, (B) the Executive has been given an opportunity to appear at a meeting of the Board and to present an explanation of his actions alleged to constitute cause for termination, and (C) the Board has voted to terminate this Agreement for Cause.

(iv) Should the Company terminate the Executive's employment for Cause prior to the end of the Initial Term or any Successive Term of this Agreement, the Executive shall be entitled to no further salary or benefits other than those earned or accrued but unpaid as of that date; provided, however, that the Executive shall have whatever rights he may then have, if any, to continued group health coverage pursuant to the provisions of the coverage continuation provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA").

(v) Any dispute or controversy arising under, out of, or relating to a determination of Cause pursuant to this Agreement, shall be referred for arbitration in Atlanta, Georgia to a neutral arbitrator selected by the Executive and the Company (or if the parties are unable to agree on selection of such an arbitrator, one selected by the American Arbitration Association pursuant to its rules referred to below) (such arbitrator, the "Cause Arbitrator"), and this shall be the exclusive and sole means for resolving such dispute. Such arbitration shall be conducted in accordance with the National Rules for Resolution of Employment Disputes of the American Arbitration Association. The Cause Arbitrator shall have the discretion to award reasonable attorneys' fees, costs and expenses to the prevailing party. Judgment upon the award rendered by the Cause Arbitrator may be entered in any court having jurisdiction thereof.

(b) By the Company Without Cause. The parties hereto agree that the Company may, in its sole discretion, terminate the Executive's employment with the Company prior to the expiration of the Initial Term or any Successive Term of this Agreement without notice and without cause ("Without Cause"), but only if said termination has been approved by a vote of the Board.

(c) By the Executive for Good Reason. The Executive may, in his sole discretion, upon following the procedures below, at any time prior to the expiration of the Initial Term or any Successive Term terminate the Executive's employment with the Company for Good Reason. For purposes of this Agreement, the term "Good Reason" means the occurrence of any of the following without the consent of the Executive:

(i) Any involuntary removal of the Executive from his position as President or CEO of the Company without his being appointed to a comparable or higher position in the Company;

(ii) The assignment to the Executive of duties materially inconsistent with the status of President, CEO of the Company, and the Company fails to rescind such assignment within thirty (30) days following receipt of written notice to the Board from the Executive that informs the Board (A) which assignment of

duties is materially inconsistent with such status and why, and (B) that absent rescission, of such assignment of duties, Executive intends to terminate his employment for Good Reason pursuant to this Section 7(c);

(iii) the Executive's involuntary removal from membership on the Board, or any failure to elect the Executive as a member of the Board, but only to the extent he remained willing and able to service as a member thereof;

(iv) Any reduction in the Base Salary that is not part of a Company plan applying generally to management to deal with financial exigencies that the Board may approve from time to time;

(v) the relocation of the Executive's principal place of employment more than fifty (50) miles from its location on the Effective Date; or

(vi) the material breach by Company of any other material obligation of the Company in this Agreement.

With respect to matters referred to in Section 7(c)(i) through Section 7(c)(vi) above, the Executive shall not be deemed to have terminated his employment for Good Reason unless (I) the Executive has given the Company written notice of the occurrence constituting Good Reason within thirty (30) days of the initial occurrence thereof, (II) the Company has not fully cured such occurrence within thirty (30) days of receipt of such written notice (the "GR Cure Period"), and (III) the Executive terminates his employment with the Company no later than thirty (30) days following the expiration of the GR Cure Period.

Any dispute or controversy arising under, out of, or relating to a determination of Good Reason pursuant to this Agreement, shall be referred for arbitration in Atlanta, Georgia to a neutral arbitrator selected by the Executive and the Company (or if the parties are unable to agree on selection of such an arbitrator, one selected by the American Arbitration Association pursuant to its rules referred to below) (such arbitrator, the "GR Arbitrator"), and this shall be the exclusive and sole means for resolving such dispute. Such arbitration shall be conducted in accordance with the National Rules for Resolution of Employment Disputes of the American Arbitration Association. The GR Arbitrator shall have the discretion to award reasonable attorneys' fees, costs and expenses to the prevailing party. Judgment upon the award rendered by the GR Arbitrator may be entered in any court having jurisdiction thereof.

(d) Right to Severance. Subject to Section 7(e), in the event the Company terminates the Executive's employment Without Cause pursuant to Section 7(b) or the Executive appropriately terminates this Agreement for Good Reason pursuant to Section 7(c), then in either case:

(i) The Executive shall be entitled to severance pay equal to one year of his then Base Salary payable in equal amounts in accordance with the Company's payroll practices in effect from time to time during the one-year period following his date of termination; provided that, so long as it would not

result in a violation of Code Section 409A, the Executive may elect to receive such severance pay in a single lump-sum as soon as administratively feasible following the day the Release (as defined below) becomes fully effective and non-revocable;

(ii) The Executive shall be entitled to receive, on the applicable dates that annual bonus payments for the applicable year are made to other annual bonus recipients, (A) any unpaid Annual Bonus for the year prior to the year in which he terminates from employment with the Company, and (B) a payment in an amount equal to the prorated Annual Bonus to which he would otherwise have been entitled for the year in which his termination of employment occurs, with such prorated Annual Bonus amount determined by multiplying the full Annual Bonus amount by a fraction, the numerator of which is the number of days in the calendar year in which such termination occurs that elapsed prior to the date of the Executive's termination of employment, and the denominator of which is three hundred and sixty-five (365);

(iii) During the two-year period immediately following his termination or until the Executive and his qualifying dependents are provided with medical and dental coverage by another employer, whichever shall first occur (such earlier occurrence, the "Coverage Termination Occurrence"), the Company will continue to provide the Executive with medical and dental insurance coverage to the same extent and under the same conditions as provided to other senior executives of the Company, and thereafter the continuation coverage provisions of COBRA shall apply; provided that, notwithstanding the foregoing, if the Company reasonably determines, in its sole discretion, that it cannot provide the coverage or make available the continuation coverage required by this Section 7(d)(ii) without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company instead shall pay to the Executive, on the first day of each month of until the Coverage Termination Occurrence, a fully taxable cash payment (the "Special Payment") equal to the amount of the monthly COBRA premium the Executive would then be required to pay to continue his and his dependents' group medical and dental insurance coverage under the applicable plans or programs of the Company; and further provided that, in the event that the Company is unable to make the coverage required by this Section 7(d)(ii) available to the Executive and his dependents, the Executive shall have the right, but not the obligation, to use the Special Payment to obtain alternative medical and dental insurance coverage;

(iv) Notwithstanding the individual terms thereof, any unvested options to purchase equity of the Company ("Options") that are held by the Executive as of the date of his termination that would have become vested based solely on the passage of time (assuming the Executive's employment with the Company had continued) and not on the achievement of performance criteria, shall become vested;

(v) Notwithstanding the individual terms thereof, all vested Options held by the Executive as of the date of his termination (including, without limitation, those Options that become vested pursuant to Section 7(d)(iv)) shall remain outstanding until the date that they would have otherwise expired, determined as if the Executive had remained continuously employed by the Company through such expiration date; and

(vi) Except as provided above in this Section 7(d), the Executive shall receive no further compensation or benefits of any kind other than any salary or benefits earned or accrued but unpaid as of that date.

(e) Release. Notwithstanding the foregoing, the Company shall not be obligated to make any payments or provide any severance or other benefits described in Section 7(d), unless and until such time as the Executive has provided an irrevocable waiver and general release of claims (other than any claims for payments, benefits, Options, other equity interests and other rights that the Executive is entitled to under this Agreement) in favor of the Company, its subsidiaries and affiliates, predecessors and successors, and all of the respective current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing (collectively, the "Released Parties"), in form and substance reasonably satisfactory to the Company (the "Release") and such waiver and general release has become effective in accordance with its terms but no later than sixty (60) days following the Executive's date of termination. Any amount that would be due to be paid to the Executive pursuant to Section 7(d) prior to the date when the Release becomes fully effective shall be paid by the Company to the Executive in a lump sum as soon as reasonably practicable following the date upon which the Release becomes fully effective. Thereafter, amount due to be paid to the Executive pursuant to Section 7(d) shall be paid pursuant to the schedule set forth therein.

Secton 8. Successive Terms Of This Agreement. Should the Executive's employment not be terminated prior to the close of business on the last day of the Initial Term or any Successive Term, as provided for in Section 7 above, then the Executive's employment shall continue for successive one-year terms upon the same terms and conditions applicable to the Initial Term (or such other terms and conditions as may be agreed by the Executive and the Company) unless, at least three (3) months prior to the expiration of the Initial Term or any Successive Term, either party hereto notifies the other in writing of its/his intention not to continue this Agreement for the next Successive Term.

Secton 9. Survival of Obligations. The obligations of the Executive as set forth in Sections 10 through 18 below shall survive the term of this Agreement and the termination of the Executive's employment hereunder regardless of the reason(s) therefor.

Secton 10. Non-Competition and Conflicting Employment.

(a) During the term of this Agreement, the Executive shall not, directly or indirectly, either as an executive, employer, employee, consultant, agent, principal, partner, corporate officer, director, shareholder, member, investor or in any other

individual or representative capacity, engage or participate in any business or business related activity of any kind that is in competition in any manner whatever with the business of the Company Group (as defined below) or any business activity related to the business in which the Company Group is now involved or becomes involved during the Executive's employment, except that nothing herein shall limit the Executive's right, directly or indirectly, to own up to 5% of the shares of any corporation whose securities are listed on a national securities exchange or registered under the Securities Exchange Act of 1934, as amended. For these purposes, the current business of the Company is biotechnology drug development and related business. The Executive also agrees that, during his employment with the Company, he will not engage in any other activities that conflict with his obligations to the Company.

(b) As a material inducement to the Company to continue the employment of the Executive, and in order to protect the Company's Confidential Information (as defined below) and good will, the Executive agrees that:

(i) For a period of twelve (12) months following termination of the Executive's employment with the Company or its affiliates for any reason, the Executive will not directly or indirectly solicit or divert or accept business relating in any manner to Competing Products or to products, processes or services of the Company, from any of the customers or accounts of the Company Group with which the Executive had any contact as a result of the Executive's employment with the Company; and

(ii) For a period of six (6) months after termination of the Executive's employment with the Company or its affiliates for any reason, the Executive will not (A) render services directly or indirectly, as an executive, employee, agent, consultant or otherwise, to any Competing Organization in connection with research on or the acquisition, development, production, distribution, marketing or providing of any Competing Product, or (B) own any interest in any Competing Organization, except that nothing herein shall limit the Executive's right, directly or indirectly, to own up to 5% of the shares of any corporation whose securities are listed on a national securities exchange or registered under the Securities Exchange Act of 1934, as amended.

(c) For purposes of this Agreement:

(i) "Competing Products" means any product or drug of any person or organization other than the Company or other member of the Company Group, in existence or under development which (A) is or may be a treatment or therapy for NASH (Nonalcoholic Steatohepatitis) or (B) operates or may operate as a galectin inhibitor in the treatment of disease; and

(ii) "Competing Organization" means any person or organization, including the Executive, engaged in, or about to become engaged in, research on or the acquisition, development, production, distribution, marketing or providing of a Competing Product.

(d) The parties agree that the Company Group is entitled to protection of its interests in the areas protected by this Section 10. The parties further agree that the limitations as to time, geographical area, and scope of activity to be restrained do not impose a greater restraint upon the Executive than is necessary to protect the goodwill or other business interest of the Company Group. The parties further agree that in the event of a violation of this Section 10, that the Company shall be entitled to the recovery of damages from the Executive and injunctive relief against the Executive for the breach or violation or continued breach or violation of this Covenant. The Executive agrees that if a court of competent jurisdiction determines that the length of time or any other restriction, or portion thereof, set forth in this Section 10 is overly restrictive and unenforceable, the court may reduce or modify such restrictions to those which it deems reasonable and enforceable under the circumstances, and as so reduced or modified, the parties hereto agree that the restrictions of this Section 10 shall remain in full force and effect. The Executive further agrees that if a court of competent jurisdiction determines that any provision of this Section 10 is invalid or against public policy, the remaining provisions of this Section 10 and the remainder of this Agreement shall not be affected thereby, and shall remain in full force and effect.

(e) For the avoidance of doubt, the parties agree that, in the event that after his termination from employment with the Company the Executive continues to perform services for Sciences, he will not be considered to have violated any provision of this Section 10.

Secton 11. Confidentiality.

(a) The Executive recognizes and acknowledges that he will have access to certain information of members of the Company Group and that such information is confidential and constitutes valuable, special and unique property of such members of the Company Group. The parties agree that the Company has a legitimate interest in protecting the Confidential Information, as defined below. The parties agree that the Company is entitled to protection of its interests in the Confidential Information. The Executive shall not at any time, either during his employment and for two years after the termination of his employment with the Company for any reason, or indefinitely to the extent the Confidential Information constitutes a trade secret under applicable law, disclose to others, use, copy or permit to be copied, except in pursuance of his duties for and on behalf of the Company, its successors, assigns or nominees, any Confidential Information (regardless of whether developed by the Executive) without the prior written consent of the Company. The Executive acknowledges that the use or disclosure of the Confidential Information to anyone or any third party could cause monetary loss and damages to the Company as well as irreparable harm. The parties further agree that in the event of a violation of this Section 11, that the Company shall be entitled to a recovery of damages from the Executive and/or to obtain an injunction against the Executive for the breach or violation, continued breach, threatened breach or violation of this Section 11.

(b) As used herein, "Company Group" means the Company, and any entity that directly or indirectly controls, is controlled by, or is under common control with, the Company, and for purposes of this definition "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract or otherwise.

(c) As used herein, the term "Confidential Information" with respect to any person or entity other than the Company or any other member of the Company Group, means any secret or confidential information or know-how and shall include, but shall not be limited to, plans, financial and operating information, customers, supplier arrangements, contracts, costs, prices, uses, and applications of products and services, results of investigations, studies or experiments owned or used by such person, and all apparatus, products, processes, compositions, samples, formulas, computer programs, computer hardware designs, computer firmware designs, and servicing, marketing or manufacturing methods and techniques at any time used, developed, investigated, made or sold by such person, before or during the term of this Agreement, that are not readily available to the public or that are maintained as confidential by such person. The Executive shall maintain in confidence any Confidential Information of third parties received as a result of his employment with the Company in accordance with the Company's obligations to such third parties and the policies established by the Company.

(d) As used herein, "Confidential Information" with respect to the Company or any other member of the Company Group means any proprietary information, technical data, trade secrets, know-how or other business information disclosed to the Executive by the Company or any other member of the Company Group either directly or indirectly in writing, orally or by drawings or inspection or unintended view of parts, equipment, data, documents or the like, including, without limitation:

(i) Medical and drug research and testing results and information, research and development techniques, processes, methods, formulas, trade secrets, patents, patent applications, computer programs, software, electronic codes, mask works, inventions, machines, improvements, data, formats, projects and research projects;

(ii) Information about costs, profits, markets, sales, pricing, contracts and lists of customers, distributors and/or vendors and business, marketing and/or strategic plans;

(iii) Forecasts, unpublished financial information, budgets, projections, and customer identities, characteristics and agreements as well as all business opportunities, conceived, designed, devised, developed, perfected or made by the Executive whether alone or in conjunction with others, and related in any manner to the actual or anticipated business of the Company or to actual or anticipated areas of research and development; and

(iv) personnel files and compensation information.

(e) Notwithstanding the foregoing, Confidential Information does not include any of the foregoing items which (i) has become publicly known or made generally available to the public through no wrongful act of the Executive; (ii) has been disclosed

to the Executive by a third party having no duty to keep Company matter confidential; (iii) has been developed by the Executive independently of employment with the company; (iv) has been disclosed by the Company to a third party without restriction on disclosure; or (v) has been disclosed with the Company's written consent.

(f) The Executive hereby acknowledges and agrees that all Confidential Information shall at all times remain the property of the Company or other applicable member of the Company Group. The Executive agrees that the Executive will not improperly use or disclose any Confidential Information, proprietary information or trade secrets of any former employer or other person or entity or entity with which the Executive has an agreement or duty to keep in confidence information acquired by the Executive and that the Executive will not bring onto Company premises any unpublished document or proprietary information belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

(g) The Executive recognizes that the Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. The Executive agrees to hold all such confidential or proprietary information in the strictest of confidence and not to disclose it to any person, firm or entity or to use it except as necessary in carrying out the Executive's work for the Company consistent with Company's agreement with such third party.

(h) The Executive represents and warrants that from the time of the Executive's first contact with the Company, the Executive has held in strict confidence all Confidential Information and has not disclosed any Confidential Information directly or indirectly to anyone outside the Company, or used, copied, published or summarized any Confidential Information, except to the extent otherwise permitted under the terms of this Agreement.

(i) The Executive will not disclose to the Company or use on its behalf any confidential information belonging to others and the Executive will not bring onto the premises of the Company any confidential information belonging to any such party unless consented to in writing by such party.

(j) For the avoidance of doubt, the parties agree that, in the event that after his termination from employment with the Company the Executive continues to perform services for Sciences, his disclosure of Confidential Information of other members of the Company Group to Sciences will be considered a violation of this Section 11 unless such Confidential Information is already known to Sciences other than by reason of the Executive's disclosure thereof in violation of this Section 11.

Secton 12. Inventions.

(a) Attached hereto as Exhibit A is a list describing all ideas, processes, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights,

copyrightable works, products, marketing and business ideas, and all improvements, know-how, data rights, and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which were conceived, developed or created by the Executive prior to the Executive's employment or first contact with Company (collectively referred to herein as "Prior Inventions"), which (i) belong to the Executive, (ii) relate to the Company's current or contemplated business, products or research and development, and (iii) are not assigned to the Company hereunder. If there is no Exhibit A or no items thereon, the Executive represents that there are no such Prior Inventions. If in the course of the Executive's employment with the Company, the Executive incorporates or embodies into a Company product, service or process a Prior Invention owned by the Executive or in which the Executive has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, service or process.

(b) The Executive agrees that the Executive will promptly make full, written disclosure to the Company and will hold in trust for the sole right and benefit of the Company, and the Executive hereby assigns to the Company, or its designee, all of the Executive's right, title and interest in and to any and all ideas, process, trademarks, service marks, inventions, designs, technologies, computer hardware or software, original works of authorship, formulas, discoveries, patents, copyrights, copyrightable works, products, marketing and business ideas, and all improvements, know-how, data, rights and claims related to the foregoing, whether or not patentable, registrable or copyrightable, which the Executive may, on or after the Effective Date of this Agreement, solely or jointly with others conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the period of time the Executive is in the employ of the Company (collectively referred to herein as "Intellectual Property Items"); and the Executive further agrees that the foregoing shall also apply to Intellectual Property Items which relate to the business of the Company or to the Company's anticipated business as of the end of the Executive's employment and which are conceived, developed or reduced to practice during a period of one year after the end of such employment. Without limiting the foregoing, the Executive further acknowledges that all original works of authorship which are made by the Executive (solely or jointly with others) within the scope of the Executive' employment and which are protectable by copyright are works made for hire as that term is defined in the United Stated Copyright Act.

(c) The Executive agrees to keep and maintain adequate and current written records of all Intellectual Property Items made by the Executive (solely or jointly with others) during the term of the Executive's employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to, and remain the sole property of, the Company at all times.

Secton 13. Return of Company Property. The Executive agrees that, at any time upon request of the Company, and, in any event, at the time of leaving the Company's employ, the Executive will deliver to the Company (and will not keep originals or copies in the Executive's

possession or deliver them to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, material, equipment or other documents or property, or reproduction of any of the aforementioned items, containing Confidential Information or otherwise belonging to the Company, its successors, assigns or any other member of the Company Group, whether prepared by the Executive or supplied to the Executive by the Company.

Secton 14. Non-Solicitation. The Executive agrees that the Executive shall not, during the Executive's employment or other involvement with the Company and for a period of twelve (12) months immediately following the termination of the Executive's employment with the Company, for any reason, whether with or without Cause, (a) either directly or indirectly solicit or take away, or attempt to solicit or take away executives of the Company, either for the Executive's own business or for any other person or entity and/or (b) either directly or indirectly recruit, solicit or otherwise induce or influence any investor, lessor, supplier, customer, agent, representative or any other person which has a business relationship with the Company to discontinue, reduce or modify such employment, agency or business relationship with the Company.

Secton 15. Publications. The Executive agrees that the Executive will, in advance of publication, provide the Company with copies of all writings and materials which the Executive proposes to publish during the term of the Executive's employment and for eighteen (18) months thereafter. The Executive also agrees that the Executive will, at the Company's request and sole discretion, cause to be deleted from such writings and materials any information the Company believes discloses or will disclose Confidential Information. The Company's good faith judgment in these matters will be final. The Executive will also, at the Company' request and in its sole discretion, cause to be deleted any reference whatsoever to the Company from such writings and materials.

Secton 16. Equitable Remedies. The Executive agrees that any damages awarded the Company for any breach of Sections 10 through 15 of this Agreement by the Executive would be inadequate. Accordingly, in addition to any damages and other rights or remedies available to the Company, the Company shall be entitled to obtain injunctive relief from a court of competent jurisdiction temporarily, preliminarily and permanently restraining and enjoining any such breach or threatened breach and to specific performance of any such provision of this Agreement. In the event that either party commences litigation against the other under this Agreement the prevailing party in said litigation shall be entitled to recover from the other all costs and expenses incurred to enforce the terms of this Agreement and/or recover damages for any breaches thereof, including without limitation reasonable attorneys' fees.

Secton 17. Representations and Warranties.

(a) The Executive represents and warrants as follows that: (i) the Executive has no obligations, legal or otherwise, inconsistent with the terms of this Agreement or with the Executive's undertaking a relationship with the Company; and (ii) the Executive has not entered into, nor will the Executive enter into, any agreement (whether oral or written) in conflict with this Agreement.

(b) The Company represents and warrants to the Executive that this Agreement has been duly authorized by the Board and are the valid and binding obligations of the Company, enforceable in accordance with their respective terms.

Secton 18. Miscellaneous.

(a) Entire Agreement. This Agreement and the exhibit attached hereto contain the entire understanding of the parties and supersede all previous contracts, arrangements or understandings, express or implied, between the Executive and the Company with respect to the subject matter hereof. Notwithstanding the foregoing, this Agreement shall amend any option grant agreement between the Company and the Executive to comply with the terms of Section 7(d) hereof. In all other respects, such option grant agreements remain outstanding and in full force an effect. Except as provided herein, this Prior Agreement is hereby superseded. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement or in the attached exhibit.

(b) Section Headings. The section headings herein are for the purpose of convenience only and are not intended to define or limit the contents of any section.

(c) Severability. If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, the remainder of this Agreement shall be amended to provide the parties with the equivalent of the same rights and obligations as provided in the original provisions of this Agreement.

(d) No Oral Modification, Waiver Or Discharge. No provisions of this Agreement may be modified, waived or discharged orally, but only by a waiver, modification or discharge in writing signed by the Executive and such officer as may be designated by the Board to execute such a waiver, modification or discharge. No waiver by either party hereto at any time of any breach by the other party hereto of, or failure to be in compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the time or at any prior or subsequent time.

(e) Invalid Provisions. Should any portion of this Agreement be adjudged or held to be invalid, unenforceable or void, such holding shall not have the effect of invalidating or voiding the remainder of this Agreement and the parties hereby agree that the portion so held invalid, unenforceable or void shall, if possible, be deemed amended or reduced in scope, or otherwise be stricken from this Agreement to the extent required for the purposes of validity and enforcement thereof.

(f) Execution In Counterparts. The parties may sign this Agreement in counterparts, all of which shall be considered one and the same instrument. Facsimile transmissions, or electronic transmissions in .pdf format, of any executed original document and/or retransmission of any executed facsimile or .pdf transmission shall be deemed to be the same as the delivery of an executed original of this Agreement.

(g) Governing Law And Performance. This Agreement shall be governed by the laws of the State of Georgia, without giving effect to its principles on conflicts of laws.

(h) Successor and Assigns. This Agreement shall be binding on and inure to the benefit of the successors in interest of the parties, including, in the case of the Executive, the Executive's heirs, executors and estate. The Executive may not assign the Executive's obligations under this Agreement.

(i) Notices. Any notices or other communications provided for hereunder may be made by hand, by certified or registered mail, postage prepaid, return receipt requested, or by nationally recognized express courier services provided that the same are addressed to the party required to be notified. If the notice is to the Company, it shall be addressed to the Company's Chief Operating Officer at the Company's headquarters. If the notice is to the Executive, it shall be addressed to the Executive at his home address as set forth in the records of the Company. Notice shall be considered accomplished on the date delivered, three days after being mailed or one day after deposit with the express courier, as applicable. Notwithstanding the foregoing, in the event the parties adopt a course of dealing pursuant to which notices are provided electronically (e.g., using electronic mail), then such electronic notice shall be considered valid hereunder.

(j) Attorneys' Fees. The Company shall promptly reimburse the Executive for any and all attorneys' fees he incurs in connection with the negotiation and execution of this Agreement; provided, however, that the Company shall in no event be required to pay the Executive more than Five Thousand Dollars ($5,000) as reimbursement of attorneys' fees hereunder.

(k) Section 409A. It is intended that all of the severance benefits and other payments set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the "Code") provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). For purposes of Code Section 409A, (i) all references herein to the Executive's termination of employment and terms of similar effect shall be deemed to refer to the Executive's "separation from service" (as defined in Treasury Regulations Section 1.409A-1(h)) with the Company, and (ii) the Executive's right to receive any installment payments under this Agreement (whether severance payments, reimbursements or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Agreement, if the Company (or, if applicable, the successor entity thereto) determines that amounts payable pursuant to Section 7(d) constitute "deferred compensation" under Code Section 409A and the Executive is, on the date of the Executive's separation from service, a "specified employee" of the Company or any successor entity thereto, as such term is defined in Section 409A(a)(2)(B)(i) of the Code (a "Specified Employee"), then, solely to the extent necessary to avoid the incurrence of adverse personal tax consequences under Code Section 409A, the timing of the payments required pursuant to Section 7(d) shall be delayed until the earliest of: (A) the first day of

the seventh (7th) month after the Executive's separation from service date, (B) the date of the Executive's death, or (C) such earlier date as permitted under Code Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable period set forth in Section 409A(a)(2)(B)(i) of the Code, all payments or benefits deferred pursuant to this Section 18(k) shall be paid in a lump sum or provided in full by the Company (or the successor entity thereto, as applicable), and any remaining payments due shall be paid as otherwise provided herein. No interest shall be due on any amounts so deferred. The payments and benefits described in this Agreement are intended to qualify for an exemption from application of Code Section 409A or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Code Section 409A, and any ambiguities herein shall be interpreted accordingly.

(l) Section 280G. If any payments or rights accruing to the Executive from the Company (the "Total Payments"), would constitute a "parachute payment" (as defined in Code Section 280G, and the regulations thereunder), then the Total Payments shall be reduced to the largest amount or greatest right that will result in no portion of the Total Payments being subject to an excise tax under Code Section 4999. The determination of whether any reduction in the Total Payments is to apply shall be made by the Company in good faith after consultation with the Executive, and such determination shall be conclusive and binding on the Executive. The Executive shall cooperate in good faith with the Company in making such determination and providing the necessary information for this purpose. The foregoing provisions of this Section 18(l) shall apply only if, after reduction for any applicable excise tax imposed by Code Section 4999 and any federal income tax imposed by the Code, the Total Payments accruing to the Executive would be less than the amount of the Total Payments as reduced under the foregoing provisions of this Section 18(l) and after reduction for only federal income taxes. To the extent reduction of any payments and benefits is required by this Section 18(l) such that no portion of the Total Payments will be subject to the excise tax imposed by Code Section 4999, the Total Payments shall be reduced in the following order: (i) severance benefits (with the last payments being reduced first); (ii) any transaction bonus that is or becomes payable to the Executive; (iii) equity-based payments or benefits that are due to the Executive (with those that would otherwise last become vested being reduced first), and (iv) all other payments or benefits due and owing to the Executive (with those that would otherwise be due last being reduced first). For the avoidance of doubt, inclusion of any type of payment or benefit in the preceding sentence is intended to ensure an orderly reduction should such a reduction become necessary, and is not intended to imply that the Executive has an entitlement to any such payment or benefit.

[Signature Page Follows]

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

Company:	Executive:
GALECTIN THERAPEUTICS INC.	
By: /s/ Marc Rubin, M.D.	/s/ Peter G. Traber, M.D.
Name: Marc Rubin, M.D.	Peter G. Traber, M.D.
Title: Chairman of the Board	

Exhibit A

Lists of Prior Inventions and
Original Works of Authorship

None.

Exhibit 31.1

Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Peter G. Traber, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Galectin Therapeutics Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ Peter G. Traber

Name: Peter G. Traber, M.D.
Title: Chief Executive Officer and President
(principal executive officer)

Exhibit 31.2

Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Jack W. Callicutt, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Galectin Therapeutics Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ Jack W. Callicutt

Name: Jack W. Callicutt
Title: Chief Financial Officer
(principal financial and accounting officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Galectin Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter G. Traber, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: May 10, 2016

/s/ Peter G. Traber

Name: Peter G. Traber, M.D.
Title: Chief Executive Officer and President
(principal executive officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Galectin Therapeutics Inc. and will be retained by Galectin Therapeutics Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Galectin Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack W. Callicutt, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: May 10, 2016

/s/ Jack W. Callicutt

Name: Jack W. Callicutt
Title: Chief Financial Officer
(principal financial and accounting officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Galectin Therapeutics Inc. and will be retained by Galectin Therapeutics Inc. and furnished to the Securities and Exchange Commission or its staff upon request.