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

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended September 30, 2020

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

For the transition period from_____ to _____

Commission File Number: 001-39070

MONOPAR THERAPEUTICS INC.

(Exact name of registrant as specified in its charter)

DELAWARE	**32-0463781**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification number)**
1000 Skokie Blvd., Suite 350, Wilmette, IL	**60091**
(Address of principal executive offices)	**(zip code)**

(847) 388-0349

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.001 par value	**MNPR**	**The Nasdaq Stock Market LLC (Nasdaq Capital Market)**

Securities registered pursuant to Section 12(g) of the Act:

None

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

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

The number of shares outstanding with respect to each of the classes of our common stock, as of October 31, 2020, is set forth below:

Class	**Number of shares outstanding**
Common Stock, par value $0.001 per share	11,452,177

MONOPAR THERAPEUTICS INC.
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Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Act") and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this Quarterly Report on Form 10-Q are forward-looking statements. The words "hopes," "believes," "anticipates," "plans," "seeks," "estimates," "projects," "expects," "intends," "may," "could," "should," "would," "will," "continue," and similar expressions are intended to identify forward-looking statements. The following uncertainties and factors, among others, could affect future performance and cause actual results to differ materially from those matters expressed in or implied by forward-looking statements:

- our ability to raise sufficient funds by mid-2021 in order for us to start the Phase 3 portion of our Validive Phase 2b/3 clinical trial and thereafter in order to complete the trial, support further development of camsirubicin in and beyond the Phase 2 clinical trial, support further development of potential radio-immuno-therapeutics to treat severe COVID-19 (patients with SARS-CoV-2 infection) and generally to support our current and any future product candidates through completion of clinical trials, approval processes and, if applicable, commercialization;
- our ability to find a suitable pharmaceutical partner to further our development efforts, if we are unable to raise sufficient additional financing;
- risks and uncertainties associated with our research and development activities, including our clinical trials;
- estimated timeframes for our clinical trials and regulatory reviews for approval to market products;
- plans to research, develop and commercialize our current and future product candidates;
- the rate and degree of market acceptance and the competitive clinical efficacy and safety of any products for which we receive marketing approval;
- the difficulties of commercialization, marketing and manufacturing capabilities and strategy;
- uncertainties of intellectual property position and strategy;
- challenging future financial performance;
- the risks inherent in our estimates regarding expenses, capital requirements and need for additional financing;
- the uncertain impact of government laws and regulations;
- our ability to attract and retain key personnel;
- the impact of the COVID-19 pandemic on our ability to advance our clinical programs and raise additional financing; and
- uncertainty of financial and operational projections.

Although we believe that the expectations reflected in such forward-looking statements are appropriate, we can give no assurance that such expectations will be realized. Cautionary statements are disclosed in this Quarterly Report on Form 10-Q. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements. We undertake no obligation to update any statements made in this Quarterly Report on Form 10-Q or elsewhere, including without limitation any forward-looking statements, except as required by law.

Any forward-looking statements in this Quarterly Report reflect our current views with respect to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information.

PART I

FINANCIAL INFORMATION

Item 1. Financial Statements

Monopar Therapeutics Inc.

Condensed Consolidated
Balance Sheets
(Unaudited)

	September 30, 2020	December 31, 2019*
Assets		
Current assets:		
Cash and cash equivalents	$ 17,982,672	$ 13,213,929
Other current assets	104,550	15,711
Total current assets	18,087,222	13,229,640
Other non-current assets	68,858	122,381
Total assets	$ 18,156,080	$ 13,352,021
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	$ 542,068	$ 724,165
Current portion of bank loan	67,772	—
Total current liabilities	609,840	724,165
Long-term liabilities:		
Non-current portion of bank loan	54,628	—
Total long-term liabilities	54,628	—
Total liabilities	664,468	724,165
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Common stock, par value of $0.001 per share, 40,000,000 authorized, 11,452,177 and 10,587,632 shares issued and outstanding at September 30, 2020 and December 31, 2019, respectively	11,452	10,587
Additional paid-in capital	47,546,915	38,508,825
Accumulated other comprehensive loss	(10,044)	(10,970)
Accumulated deficit	(30,056,711)	(25,880,586)
Total stockholders' equity	17,491,612	12,627,856
Total liabilities and stockholders' equity	$ 18,156,080	$ 13,352,021

* Derived from the Company's audited consolidated financial statements.

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

Monopar Therapeutics Inc.

Condensed Consolidated
Statements of Operations and Comprehensive Loss
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Operating expenses:				
Research and development	$ 1,255,916	$ 219,846	$ 2,432,826	$ 1,384,740
General and administrative	392,063	539,602	1,815,299	1,714,126
Total operating expenses	1,647,979	759,448	4,248,125	3,098,866
Loss from operations	(1,647,979)	(759,448)	(4,248,125)	(3,098,866)
Other income:				
Interest income, net	8,541	23,368	72,000	80,851
Net loss	(1,639,438)	(736,080)	(4,176,125)	(3,018,015)
Other comprehensive income				
Foreign currency translation gain (loss)	1,510	(8,739)	926	(9,799)
Comprehensive loss	$ (1,637,928)	$ (744,819)	$ (4,175,199)	$(3,027,814)
Net loss per share:				
Basic and diluted	$ (0.15)	$ (0.08)	$ (0.39)	$ (0.32)
Weighted average shares outstanding:				
Basic and diluted	11,116,409	9,291,421	10,792,413	9,291,421

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

Monopar Therapeutics Inc.
Condensed Consolidated Statements of Stockholders' Equity
Nine Months Ended September 30, 2019
(Unaudited)

	Common Stock					
	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
Balance at January 1, 2019	9,291,421	$ 9,291	$ 28,567,221	$ (2,396)	$ (21,655,712)	$ 6,918,404
Stock-based compensation (non-cash)	—	—	233,776	—	—	233,776
Net loss	—	—	—	—	(1,376,235)	(1,376,235)
Accumulated other comprehensive loss	—	—	—	(2,127)	—	(2,127)
Balance at March 31, 2019	9,291,421	9,291	28,800,997	(4,523)	(23,031,947)	5,773,818
Stock-based compensation (non-cash)	—	—	257,633	—	—	257,633
Net loss	—	—	—	—	(905,700)	(905,700)
Accumulated other comprehensive gain	—	—	—	1,067	—	1,067
Balance at June 30, 2019	9,291,421	9,291	29,058,630	(3,456)	(23,937,647)	5,126,818
Stock-based compensation (non-cash)	—	—	242,956	—	—	242,956
Net loss	—	—	—	—	(736,080)	(736,080)
Accumulated other comprehensive loss	—	—	—	(8,739)	—	(8,739)
Balance at September 30, 2019	9,291,421	$ 9,291	$ 29,301,586	$ (12,195)	$ (24,673,727)	$ 4,624,955

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

Monopar Therapeutics Inc.
Condensed Consolidated Statements of Stockholders' Equity
Nine Months Ended September 30, 2020
(Unaudited)

	Common Stock					
	Shares	**Amount**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive Income (Loss)**	**Accumulated Deficit**	**Total Stockholders' Equity**
Balance at January 1, 2020	10,587,632	$ 10,587	$ 38,508,825	$ (10,970)	$ (25,880,586)	$ 12,627,856
Issuance of common stock under a Capital on Demand™ Sales Agreement with JonesTrading Institutional Services LLC, net of commissions and fees of $16,284	33,903	34	526,109	—	—	526,143
Issuance of common stock to non-employee directors pursuant to vested restricted stock units	1,288	1	(1)	—	—	—
Stock-based compensation (non-cash)	—	—	338,497	—	—	338,497
Offering costs	—	—	(2,161)	—	—	(2,161)
Net loss	—	—	—	—	(1,090,877)	(1,090,877)
Accumulated other comprehensive loss	—	—	—	(4,041)	—	(4,041)
Balance at March 31, 2020	10,622,823	10,622	39,371,269	(15,011)	(26,971,463)	12,395,417
Issuance of common stock under a Capital on Demand™ Sales Agreement with Jones Trading Institutional Services LLC, net of commissions and fees of $29,425	111,858	113	950,577	—	—	950,690
Issuance of common stock to non-employee directors pursuant to vested restricted stock units	1,292	1	(1)	—	—	—
Stock-based compensation (non-cash)	—	—	367,358	—	—	367,358
Offering costs	—	—	(116,605)	—	—	(116,605)
Net loss	—	—	—	—	(1,445,810)	(1,445,810)
Accumulated other comprehensive income	—	—	—	3,457	—	3,457
Balance at June 30, 2020	10,735,973	10,736	40,572,598	(11,554)	(28,417,273)	12,154,507
Issuance of common stock under a Capital on Demand™ Sales Agreement with Jones Trading Institutional Services LLC, net of commissions and fees of $207,326	714,916	715	6,697,743	—	—	6,698,458
Issuance of common stock to non-employee directors pursuant to vested restricted stock units	1,288	1	(1)	—	—	—
Stock-based compensation (non-cash)	—	—	283,713	—	—	283,713
Offering costs	—	—	(7,138)	—	—	(7,138)
Net loss	—	—	—	—	(1,639,438)	(1,639,438)
Accumulated other comprehensive income	—	—	—	1,510	—	1,510
Balance at September 30, 2020	11,452,177	$ 11,452	$ 47,546,915	$ (10,044)	$ (30,056,711)	$ 17,491,612

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

Monopar Therapeutics Inc.

Condensed Consolidated
Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2020	**2019**
Cash flows from operating activities:		
Net loss	$ (4,176,125)	$ (3,018,015)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expense (non-cash)	989,568	734,365
Changes in operating assets and liabilities, net		
Other current assets	(45,649)	(4,630)
Accounts payable, accrued expenses and other current liabilities	(189,372)	(60,695)
Net cash used in operating activities	(3,421,578)	(2,348,975)
Cash flows from financing activities:		
Cash proceeds from the sales of common stock under a Capital on Demand™ Sales Agreement with Jones Trading Institutional Services LLC, net of cash commissions and fees of $253,035	8,175,290	—
Offering costs	(108,430)	(39,458)
PPP forgivable bank loan	122,400	—
Net cash provided by (used in) financing activities	8,189,260	(39,458)
Effect of exchange rates	1,061	(9,799)
Net increase (decrease) in cash and cash equivalents	4,768,743	(2,398,232)
Cash and cash equivalents at beginning of period	13,213,929	6,892,772
Cash and cash equivalents at end of period	$ 17,982,672	$ 4,494,540

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

Note 1 - Nature of Business and Liquidity

Nature of Business

Monopar Therapeutics Inc. ("Monopar" or the "Company") is a clinical-stage biopharmaceutical company primarily focused on developing proprietary therapeutics designed to extend life or improve quality of life for cancer patients. Monopar currently has three compounds in development: 1) Validive® (clonidine mucobuccal tablet; clonidine MBT), a Phase 2b/3 clinical stage, first-in-class mucoadhesive buccal tablet for the prevention and treatment of radiation induced severe oral mucositis ("SOM") in oropharyngeal cancer patients; 2) camsirubicin (generic name for MNPR-201, GPX-150; 5-imino-13-deoxydoxorubicin), a proprietary Phase 2 clinical stage topoisomerase II-alpha selective analog of doxorubicin engineered specifically to retain anticancer activity while minimizing toxic effects on the heart; and 3) a preclinical stage uPAR targeted antibody, MNPR-101, for advanced cancers and severe COVID-19.

Liquidity

The Company has incurred an accumulated deficit of approximately $30.1 million as of September 30, 2020. To date, the Company has primarily funded its operations with the net proceeds from the Company's initial public offering of its common stock on Nasdaq, private placements of convertible preferred stock and of common stock, from the cash provided in the camsirubicin asset purchase transaction, from sales of its common stock in the public market under a Capital on Demand™ Sales Agreement. Management believes that currently available resources will provide sufficient funds to enable the Company to meet its planned obligations through December 2021. The Company's ability to fund its future operations, including the clinical development of Validive and camsirubicin, is dependent upon its ability to execute its business strategy, to obtain additional funding and/or to execute collaborative research agreements. There can be no certainty that future financing or collaborative research agreements will occur at a time needed to maintain operations, if at all.

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in China and spread to essentially all of the remaining world. By March 2020 COVID-19 was designated a global pandemic, resulting in government-mandated travel restrictions and temporary shutdowns or limitations of non-essential businesses in many states in the United States. The Company is able to remain open but has allowed their employees to work from home, if required by local authorities. Due to the volatility of the stock markets resulting from travel restrictions and indeterminate but temporary business limitations, the Company faces challenges in raising substantial cash in the near-term. In response to the current COVID-19 pandemic and its effects on clinical trials, Monopar has modified the original adaptive design Phase 3 clinical trial for its lead product candidate, Validive, to be a Phase 2b/3 clinical trial to better fit the types of trials which can enroll patients in the current environment. This modification will allow the Company to initiate the clinical trial without requiring near-term financing. The decision to proceed to the Phase 3 portion of the clinical trial without a delay will largely be dependent on the Company's cash position closer to that time, anticipated to be in the second half of 2021. To initiate and complete the Phase 3 portion of the clinical trial, Monopar will require additional funding in the millions or tens of millions of dollars (depending on if the Company has consummated a collaboration or partnership or neither for Validive), which it is planning to pursue in the next 12 months. Due to many uncertainties, the Company is unable to estimate the pandemic's financial impact or duration at this time, or its potential impact on the Company's planned clinical trials including the pandemic's effect on drug candidate manufacturing, shipping, patient recruitment at clinical sites and regulatory agencies around the globe.

Note 2 - Significant Accounting Policies

Basis of Presentation

These condensed consolidated financial statements include the financial results of Monopar Therapeutics Inc., its wholly-owned French subsidiary, Monopar Therapeutics, SARL, and its wholly-owned Australian subsidiary, Monopar Therapeutics Australia Pty Ltd, and have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and include all disclosures required by GAAP for interim financial reporting. All intercompany accounts have been eliminated. The principal accounting policies applied in the preparation of these condensed consolidated financial statements are set out below and have been consistently applied in all periods presented. The Company has been primarily involved in performing research activities, developing product candidates, and raising capital to support and expand these activities.

The accompanying unaudited condensed consolidated financial statements contain all normal, recurring adjustments necessary to present fairly the Company's condensed consolidated financial position as of September 30, 2020 and as of December 31, 2019, the Company's condensed consolidated results of operations and comprehensive loss for the three and nine months ended September 30, 2020 and 2019, and the Company's condensed consolidated cash flows for the nine months ended September 30, 2020 and 2019. The condensed consolidated results of operations and comprehensive loss and condensed consolidated cash flows for the periods presented are not necessarily indicative of the consolidated results of operations or cash flows which may be reported for the remainder of 2020 or for any future period. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. The accompanying unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2019, included in the Company's Annual Report on Form 10-K filed with the United States Securities and Exchange Commission (the "SEC") on March 27, 2020.

Functional Currency

The Company's consolidated functional currency is the U.S. Dollar. The Company's Australian subsidiary and French subsidiary use the Australian Dollar and European Euro, respectively, as their functional currency. At each quarter-end, each foreign subsidiary's balance sheets are translated into U.S. Dollars based upon the quarter-end exchange rate, while their statements of operations and comprehensive loss and statements of cash flows are translated into U.S. Dollars based upon an average exchange rate during the period.

Comprehensive Loss

Comprehensive loss represents net loss plus any gains or losses not reported in the condensed consolidated statements of operations and comprehensive loss, such as foreign currency translations gains and losses that are typically reflected on the Company's condensed consolidated statements of stockholders' equity.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses in the condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Going Concern Assessment

The Company applies Accounting Standards Codification 205-40 ("ASC 205-40"), *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, which the Financial Accounting Standards Board ("FASB") issued to provide guidance on determining when and how reporting companies must disclose going concern uncertainties in their financial statements. ASC 205-40 requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date of issuance of the entity's financial statements (or within one year after the date on which the financial statements are available to be issued, when applicable). Further, a company must provide certain disclosures if there is "substantial doubt about the entity's ability to continue as a going concern." In October 2020, the Company analyzed its cash requirements through December 2021 and has determined that, based upon the Company's current available cash, the Company has no substantial doubt about its ability to continue as a going concern.

Cash Equivalents

The Company considers all highly liquid investments purchased with a maturity of 90 days or less on the date of purchase to be cash equivalents. Cash equivalents as of September 30, 2020 and December 31, 2019 consisted of one money market account.

Deferred Offering Costs

Deferred offering costs represent legal, auditing, travel and filing fees related to fundraising efforts that have not yet been concluded.

Prepaid Expenses

Prepayments are expenditures for goods or services before the goods are used or the services are received and are charged to operations as the benefits are realized. Prepaid expenses include payments to development collaborators in excess of actual expenses incurred by the collaborator, measured at the end of each reporting period. Prepayments also include insurance premiums and software costs of $10,000 or more that are expensed monthly over the life of the contract. Prepaid expenses are reflected on the Company's condensed consolidated balance sheets as other current assets.

Bank Loans

In May 2020, the Company applied for and received a bank loan pursuant to the Paycheck Protection Program ("PPP") established pursuant to the Coronavirus Aid, Relief, and Economic Security Act, as administered by the U.S. Small Business Administration ("SBA").

The SBA will forgive the bank loan pursuant to the PPP, if certain conditions are met, namely the bank loan must be used primarily for payroll during the 24-week period following receipt of the loan, without significant staffing reductions during that period. The Company believes it is eligible and intends to apply for loan forgiveness by December 2020 when the Company's bank is able to process SBA loan forgiveness application. Should the bank loan not be forgiven, the Company would be required to pay 1% annual interest on the loan with principal and interest payments beginning approximately seven months after receipt of the loan with payments over 18 months. The Company has recorded the PPP loan on the condensed consolidated balance sheets as of September 30, 2020 as liabilities titled current (due within 12 months) and non-current portions of bank loan.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of cash and cash equivalents. The Company maintains cash and cash equivalents at two reputable financial institutions. As of September 30, 2020, the balance at one financial institution was in excess of the $250,000 Federal Deposit Insurance Corporation ("FDIC") insurable limit. The Company has not experienced any losses on its deposits since inception and management believes the Company is not exposed to significant risks with respect to these financial institutions.

Fair Value of Financial Instruments

For financial instruments consisting of cash and cash equivalents, accounts payable, accrued expenses, other current liabilities and bank loans, the carrying amounts are reasonable estimates of fair value due to their relatively short maturities.

ASC 820, *Fair Value Measurements and Disclosures*, as amended, addresses the measurement of the fair value of financial assets and financial liabilities. Under this standard, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The standard establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources. Unobservable inputs reflect a reporting entity's pricing an asset or liability developed based on the best information available under the circumstances. The fair value hierarchy consists of the following three levels:

Level 1 - instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2 - instrument valuations are obtained from readily available pricing sources for comparable instruments.

Level 3 - instrument valuations are obtained without observable market values and require a high-level of judgment to determine the fair value.

Determining which category an asset or liability falls within the hierarchy requires significant judgment. The Company evaluates its hierarchy disclosures each reporting period. There were no transfers between Level 1, 2 or 3 of the fair value hierarchy during the three and nine months ended September 30, 2020 and the year ended December 31, 2019. The following table presents the assets and liabilities that are reported at fair value on our condensed consolidated balance sheets on a recurring basis. No values were recorded in Level 2 or Level 3 at September 30, 2020 and December 31, 2019.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

September 30, 2020	Level 1	Total
Assets		
Cash equivalents[1]	$ 17,736,266	$ 17,736,266
Total	$ 17,736,266	$ 17,736,266

December 31, 2019	Level 1	Total
Assets		
Cash equivalents[1]	$ 13,083,536	$ 13,083,536
Total	$ 13,083,536	$ 13,083,536

(1) Cash equivalents represent the fair value of the Company's investment in a money market account.

Net Loss per Share

Net loss per share for the three and nine months ended September 30, 2020 and 2019 is calculated by dividing net loss by the weighted-average shares of common stock outstanding during the period. Diluted net loss per share for the three and nine months ended September 30, 2020 and 2019 is calculated by dividing net loss by the weighted-average shares of the sum of a) weighted average common stock outstanding (11,116,409 and 10,792,413 shares for the three and nine months ended September 30, 2020, respectively; 9,291,421 shares for the three and nine months ended September 30, 2019) and b) potentially dilutive shares of common stock (such as stock options and restricted stock units) outstanding during the period. As of September 30, 2020 and 2019, potentially dilutive securities included stock-based awards to purchase up to 1,303,674 and 1,105,896 shares of the Company's common stock, respectively. For the three and nine months ended September 30, 2020 and 2019, potentially dilutive securities are excluded from the computation of fully-diluted net loss per share as their effect is anti-dilutive.

Research and Development Expenses

Research and development ("R&D") costs are expensed as incurred. Major components of R&D expenses include salaries and benefits paid to the Company's R&D staff, fees paid to consultants and to the entities that conduct certain R&D activities on the Company's behalf and materials and supplies which are used in R&D activities during the reporting period.

The Company accrues and expenses the costs for clinical trial activities performed by third parties based upon estimates of the percentage of work completed over the life of the individual study in accordance with agreements established with contract research organizations, service providers, and clinical trial sites. The Company determines the estimates through discussions with internal clinical personnel and external service providers as to progress or stage of completion of trials or services and the agreed upon fee to be paid for such services. Costs of setting up clinical trial sites for participation in the trials are expensed immediately as R&D expenses. Clinical trial site costs related to patient screening and enrollment are accrued as patients are screened/entered into the trial. During the three and nine months ended September 30, 2020 and 2019, the Company had no clinical trials in progress.

Collaborative Agreements

The Company and its collaborative partners are active participants in collaborative arrangements and all parties would be exposed to significant risks and rewards depending on the technical and commercial success of the activities. Contractual payments to the other parties in collaboration agreements and costs incurred by the Company when the Company is deemed to be the principal participant for a given transaction are recognized on a gross basis in R&D expenses. Royalties and license payments are recorded as earned.

During the three and nine months ended September 30, 2020 and 2019, no milestones were met and no royalties were earned, therefore, the Company did not pay or accrue/expense any license or royalty payments.

Licensing Agreements

The Company has various agreements licensing technology utilized in the development of its product or technology programs. The licenses contain success milestone obligations and royalties on future sales. During the three and nine months ended September 30, 2020 and 2019, no milestones were met and no royalties were earned, therefore, the Company did not pay or accrue/expense any license or royalty payments under any of its license agreements.

Patent Costs

The Company expenses costs relating to issued patents and patent applications, including costs relating to legal, renewal and application fees, as a component of general and administrative expenses in its condensed consolidated statements of operations and comprehensive loss.

Income Taxes

On December 16, 2015, the Company began using an asset and liability approach for accounting for deferred income taxes, which requires recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that have been recognized in its financial statements but have not been reflected in its taxable income. Estimates and judgments are required in the calculation of certain tax liabilities and in the determination of the recoverability of certain deferred income tax assets, which arise from temporary differences and carryforwards. Deferred income tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets and liabilities are expected to be realized or settled.

The Company regularly assesses the likelihood that its deferred income tax assets will be realized from recoverable income taxes or recovered from future taxable income. To the extent that the Company believes any amounts are more likely than not to be realized, the Company records a valuation allowance to reduce the deferred income tax assets. In the event the Company determines that all or part of the net deferred tax assets are not realizable in the future, an adjustment to the valuation allowance would be charged to earnings in the period such determination is made. Similarly, if the Company subsequently determines deferred income tax assets that were previously determined to be unrealizable are now realizable, the respective valuation allowance would be reversed, resulting in an adjustment to earnings in the period such determination is made.

Internal Revenue Code Section 382 ("Section 382") provides that, after an ownership change, the amount of a loss corporation's net operating loss ("NOL") for any post-change year that may be offset by pre-change losses shall not exceed the Section 382 limitation for that year. To date, the Company has not conducted a Section 382 study, however, because the Company will continue to raise significant amounts of equity in the coming years, the Company expects that Section 382 will limit the Company's usage of NOLs in the future.

ASC 740, *Income Taxes*, requires that the tax benefit of net operating losses, temporary differences, and credit carryforwards be recorded as an asset to the extent that management assesses that realization is "more likely than not." Realization of the future tax benefits is dependent on the Company's ability to generate sufficient taxable income within the carryforward period. The Company has reviewed the positive and negative evidence relating to the realizability of the deferred tax assets and has concluded that the deferred tax assets are not more likely than not to be realized with the exception of its U.S. Federal R&D tax credits which will be utilized to reduce payroll taxes in future periods. As a result, the Company recorded a full valuation allowance as of September 30, 2020 and December 31, 2019. The Company intends to maintain the valuation allowance until sufficient evidence exists to support its reversal. The Company regularly reviews its tax positions. For a tax benefit to be recognized, the related tax position must be more likely than not to be sustained upon examination. Any amount recognized is generally the largest benefit that is more likely than not to be realized upon settlement. The Company's policy is to recognize interest and penalties related to income tax matters as an income tax expense. For the three and nine months ended September 30, 2020 and 2019, the Company did not have any interest or penalties associated with unrecognized tax benefits.

The Company is subject to U.S. Federal, Illinois and California income taxes. In addition, the Company is subject to local tax laws of France and Australia. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. The Company was incorporated on December 16, 2015 and is subject to U.S. Federal, state and local tax examinations by tax authorities for the years ended December 31, 2019, 2018, 2017 and 2016, and for the short tax period December 16, 2015 to December 31, 2015. The Company does not anticipate significant changes to its current uncertain tax positions through September 30, 2020. The Company has filed its U.S. Federal and state tax returns for the year ended December 31, 2019 prior to the extended filing deadlines in all jurisdictions.

Stock-Based Compensation

The Company accounts for stock-based compensation arrangements with employees, non-employee directors and consultants using a fair value method, which requires the recognition of compensation expense for costs related to all stock-based awards, including stock option and restricted stock unit ("RSU") grants. The fair value method requires the Company to estimate the fair value of stock-based payment awards on the date of grant using an option pricing model or the closing stock price on the date of grant in the case of RSUs.

Stock-based compensation costs for awards granted to employees and non-employee directors are based on the fair value of the underlying instrument calculated using the Black-Scholes option-pricing model on the date of grant for stock options and using the closing stock price on the date of grant for RSUs and recognized as expense on a straight-line basis over the requisite service period, which is the vesting period. Determining the appropriate fair value model and related assumptions requires judgment, including estimating the future stock price volatility, forfeiture rates and expected terms. The expected volatility rates are estimated based on the actual volatility of comparable public companies over recent historical periods of the same length as the expected term. The Company selected these companies based on reasonably comparable characteristics, including market capitalization, stage of corporate development and with historical share price information sufficient to meet the expected term (life) of the stock-based awards. The expected term for options granted to date is estimated using the simplified method. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company has not paid dividends and does not anticipate paying a cash dividend in the future vesting period and, accordingly, uses an expected dividend yield of zero. The risk-free interest rate is based on the rate of U.S. Treasury securities with maturities consistent with the estimated expected term of the awards. Prior to January 1, 2019, the measurement of consultant stock-based compensation was subject to periodic adjustments as the underlying equity instruments vested and was recognized as an expense over the period in which services were rendered. Since January 1, 2019, consultant stock-based compensation is valued on the grant date and is recognized as an expense over the period in which services are rendered.

Recent Accounting Pronouncements

In August 2018, the FASB issued Accounting Standards Updates ("ASU") No. 2018-13*, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement.* The ASU modifies, and in certain cases eliminates, the disclosure requirements on fair value measurements in Topic 820. The amendments in ASU No. 2018-13 are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted this ASU and has determined that it had no material effect on its condensed consolidated financial statements and footnote disclosures for the three and nine months ended September 30, 2020.

Note 3 - Capital Stock

Holders of the common stock are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available therefor. Upon dissolution and liquidation of the Company, holders of the common stock are entitled to a ratable share of the net assets of the Company remaining after payments to creditors of the Company. The holders of shares of common stock are entitled to one vote per share for the election of each director nominated to the board and one vote per share on all other matters submitted to a vote of stockholders.

The Company's amended and restated certificate of incorporation authorizes the Company to issue 40,000,000 shares of common stock with a par value of $0.001 per share.

Sales of Common Stock

On December 23, 2019, the Company closed the initial public offering of its common stock. The Company sold 1,277,778 shares of its common stock at a public offering price of $8.00 per share pursuant to an underwriting agreement with JonesTrading Institutional Services, LLC ("JonesTrading"). The Company paid JonesTrading a customary commission and reimbursement of a portion of their legal fees incurred in connection with the offering, which in aggregate totaled approximately $0.7 million. Net proceeds on a cash basis were approximately $9.4 million, after deducting underwriting discounts and accrued, unpaid offering expenses. The Company had incurred and paid prior to the initial public offering approximately $0.6 million of fundraising expenses which were capitalized on the Company's balance sheet as deferred offering costs and were reclassified as offering expenses (a contra-equity balance sheet account) upon the closing of the Company's initial public offering. After deducting previously paid offering expenses of approximately $0.6 million, the accrual basis net proceeds were $8.8 million as reported on the Company's consolidated statement of stockholders' equity as of December 31, 2019 included in the Company's Annual Report on Form 10-K filed with the SEC on March 27, 2020. The Company's common stock began trading on the Nasdaq Capital Market on December 19, 2019.

On January 13, 2020, the Company entered into a Capital on Demand™ Sales Agreement with JonesTrading, as sales agent, pursuant to which Monopar may offer and sell (at its discretion), from time to time, through or to JonesTrading shares of Monopar's common stock, having an aggregate offering price of up to $19.7 million. Pursuant to this agreement, as of September 30, 2020, the Company sold 860,677 shares of its common stock at an average gross price per share of $9.79 for net proceeds of $8,175,290, after commissions and fees of $253,035.

As of September 30, 2020, the Company had 11,452,177 shares of common stock issued and outstanding.

Note 4 - Stock Incentive Plan

In April 2016, the Company's Board of Directors and stockholders representing a majority of the Company's outstanding stock at that time, approved the Monopar Therapeutics Inc. 2016 Stock Incentive Plan, as amended (the "Plan"), allowing the Company to grant up to an aggregate 700,000 shares of stock-based awards in the form of stock options, restricted stock units, stock appreciation rights and other stock-based awards to employees, non-employee directors and consultants. In October 2017, the Company's Board of Directors voted to increase the stock award pool to 1,600,000 shares of common stock, which subsequently was approved by the Company's stockholders. In April 2020, the Company's Board of Directors voted to increase the stock award pool to 3,100,000 (and increase of 1,500,000 shares of common stock), which was approved by the Company's stockholders in June 2020.

In January 2020, the Company's Plan Administrator Committee granted two new hire stock option grants and a consultant stock option grant to the Company's acting chief medical office, in aggregate, for the purchase of 15,125 shares of the Company's common stock with exercise prices ranging from $16.80 to $17.75. The stock options have a 10-year term and vest over 1 to 4 years.

In February 2020, the Company's Plan Administrator Committee (with regards to non-officer employees) and the Company's Compensation Committee, as ratified by the Board of Directors (in the case of officers and non-employee directors) granted an aggregate of 189,985 stock options with exercise prices ranging from $12.93 to $14.35 as annual equity grants to executive officers, non-employee directors and staff. All stock options have a 10-year term and vest over 1 to 4 years. The annual equity grants also included an aggregate 45,722 restricted stock units to executive officers, non-employee directors and staff which vest over 1 to 4 years.

In May 2020, the Company's Plan Administrator Committee granted stock option grants to a new hire and an employee, in aggregate, for the purchase of 4,000 shares of the Company's common stock with exercise prices ranging from $7.61 to $7.66. All stock options have a 10-year term and vest over 4 years.

In August and September 2020, the Company's Plan Administrator Committee granted two new hire stock option grants for the purchase of 7,000 shares of the Company's common stock with exercise prices of $4.93 to $5.65. All stock options have a 10-year term and vest over 4 years.

Under the Plan, the per share exercise price for the shares to be issued upon exercise of an option shall be determined by the Plan Administrator, except that the per share exercise price shall be no less than 100% of the fair market value per share on the grant date. Fair market value is established by the Company's Board of Directors, using third party valuation reports, recent private financings or the Company's closing prices on Nasdaq since the Company's listing on December 19, 2019. Stock options generally expire after 10 years.

Stock option activity under the Plan was as follows:

	Options Outstanding	
	Number of Shares Subject to Options	Weighted-Average Exercise Price
Balances at January 1, 2019	**1,105,896**	**$ 2.99**
Granted	—	—
Forfeited	—	—
Exercised	(18,433)	5.97
Balances at December 31, 2019	**1,087,463**	**2.94**
Granted[(1)]	174,357	14.08
Forfeited	—	—
Exercised	—	—
Balances at September 30, 2020	**1,261,820**	**4.48**

(1) 174,357 options vest as follows: options to purchase 145,648 shares of the Company's common stock vest 6/48ths on the six-month anniversary of grant date and 1/48th per month thereafter; options to purchase 22,584 shares of the Company's common stock vest quarterly over one year; and options to purchase 6,125 shares of the Company's common stock vest monthly over one year. Exercise prices are noted in the paragraphs above this table.

A summary of options outstanding as of September 30, 2020 is shown below:

Exercise Prices	Number of Shares Subject to Options Outstanding	Weighted-Average Remaining Contractual Term in Years	Number of Shares Subject to Options Fully Vested and Exercisable	Weighted-Average Remaining Contractual Term in Years
$0.001-$5.00	557,420	5.97 years	526,720	5.93 years
$5.01-$10.00	541,043	7.79 years	350,471	7.72 years
$10.01-$15.00	148,232	9.34 years	48,327	9.34 years
$15.01-$20.00	15,125	9.30 years	6,094	9.32 years
	1,261,820		931,612	

Restricted stock unit activity under the Plan was as follows:

	Restricted Stock Units	Weighted-Average Grant Date Fair Value per Unit
Unvested balance at January 1, 2020	—	$ —
Granted	45,722	12.93
Vested	(3,868)	12.93
Forfeited	—	—
Unvested Balance at September 30, 2020	**41,854**	**12.93**

During the three months ended September 30, 2020 and 2019, the Company recognized $163,807 and $154,906, respectively, of employee and non-employee director stock-based compensation expense as general and administrative expenses and $102,346 and $67,347, respectively, as research and development expenses. During the nine months ended September 30, 2020 and 2019, the Company recognized $633,462 and $470,232, respectively, of employee and non-employee director stock-based compensation expense as general and administrative expenses and $303,415 and $202,012, respectively, as research and development expenses. The stock-based compensation expense is allocated on a departmental basis, based on the classification of the holder. No income tax benefits have been recognized in the condensed consolidated statements of operations and comprehensive loss for stock-based compensation arrangements.

The Company recognizes as an expense the fair value of options granted to persons (currently consultants) who are neither employees nor non-employee directors. Stock-based compensation expense for consultants which was recorded as research and development expense for the three months ended September 30, 2020 and 2019 was $17,560 and $20,704, and for the nine months ended September 30, 2020 and 2019 $52,691 and $62,121, respectively.

The fair value of options granted from inception to September 30, 2020 was based on the Black-Scholes option-pricing model assuming the following factors: 5.3 to 6.1 years expected term, 55% to 85% volatility, 0.4% to 2.9% risk free interest rate and zero dividends. The expected term for options granted to date was estimated using the simplified method. There were 7,000 and 216,110 stock option grants during the three and nine months ended September 30, 2020, respectively. For the three and nine months ended September 30, 2020 the weighted average grant date fair value was $3.87 per share and $9.05 per share, respectively. There were no stock option grants during the three and nine months ended September 30, 2019. For the three months ended September 30, 2020 and 2019, the fair value of shares vested was $0.3 million and $0.2 million, respectively. For the nine months ended September 30, 2020 and 2019, the fair value of shares vested was $0.9 million and $0.6 million, respectively. At September 30, 2020, the aggregate intrinsic value of outstanding stock options was approximately $3.0 million of which approximately $2.8 million was vested and approximately $0.2 million is expected to vest (representing options to purchase up to 330,208 shares of the Company's common stock), and the weighted-average exercise price in aggregate was $4.48 which includes $3.11 for fully vested stock options and $8.32 for stock options expected to vest. At September 30, 2020, the unamortized unvested balance of stock-based compensation was approximately $2.1 million to be amortized over 2.67 years.

Note 5 - Related Party Transactions

In December 2019, Tactic Pharma, LLC ("Tactic Pharma"), purchased 125,000 shares of Monopar's common stock in Monopar's initial public offering at $8 per share for an aggregate $1 million, at which time its beneficial ownership in Monopar was 41.6%. As of September 30, 2020, Tactic Pharma beneficially owned 38.4% of Monopar's common stock.

During the three and nine months ended September 30, 2020 and 2019, the Company was governed by six members of its Board of Directors ("Related Parties"). The Related Parties are also current common stockholders (owning approximately an aggregate 3% of the common stock outstanding as of September 30, 2020). None of the Related Parties received compensation other than market-rate salary, market-rate stock-based compensation and benefits and performance-based bonus or in the case of non-employee directors, market-rate Board fees and market-rate stock-based compensation. Three of the Board members are also Managing Members of Tactic Pharma as of September 30, 2020. Chandler D. Robinson is the Company's Co-Founder, Chief Executive Officer, common stockholder, Managing Member of Tactic Pharma, former Manager of the predecessor LLC, Manager of CDR Pharma, LLC and Board member of Monopar as a C Corporation. Andrew P. Mazar is the Company's Co-Founder, Executive Vice President of Research and Development, Chief Scientific Officer, common stockholder, Managing Member of Tactic Pharma, former Manager of the predecessor LLC and Board member of Monopar as a C Corporation. Michael Brown is a Managing Member of Tactic Pharma (as of February 1, 2019 with no voting power as it relates to the Company), a previous managing member of Monopar as an LLC, common stockholder and Board member of Monopar as a C Corporation. Christopher M. Starr is the Company's Co-Founder, Executive Chairman of the Board of Directors, common stockholder, former Manager of the predecessor LLC and Board member of Monopar as a C Corporation.

During the quarter ended March 31, 2019, the Company paid or accrued approximately $33,725 in legal fees to a large national law firm, in which a family member of the Company's Chief Executive Officer was a law partner through January 31, 2019. The family member personally billed a *de minimis* amount of time on the Company's legal engagement with the law firm in this period.

Note 6 – Commitments and Contingencies

License, Development and Collaboration Agreements

Onxeo S.A.

In June 2016, the Company executed an option and license agreement with Onxeo S.A. ("Onxeo"), a public French company, which gave Monopar the exclusive option to license (on a world-wide exclusive basis) Validive to pursue treating severe oral mucositis in patients undergoing chemoradiation treatment for head and neck cancers. The pre-negotiated Onxeo license agreement for Validive as part of the option agreement includes clinical, regulatory, developmental and sales milestones that could reach up to $108 million if the Company achieves all milestones, and escalating royalties on net sales from 5% to 10%. On September 8, 2017, the Company exercised the license option, and therefore paid Onxeo the $1 million fee under the option and license agreement.

Under the agreement, the Company is required to pay royalties to Onxeo on a product-by-product and country-by-country basis until the later of (1) the date when a given product is no longer within the scope of a patent claim in the country of sale or manufacture, (2) the expiry of any extended exclusivity period in the relevant country (such as orphan drug exclusivity, pediatric exclusivity, new chemical entity exclusivity, or other exclusivity granted beyond the expiry of the relevant patent), or (3) a specific time period after the first commercial sale of the product in such country. In most countries, including the U.S., the patent term is generally 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable country, not taking into consideration any potential patent term adjustment that may be filed in the future or any regulatory extensions that may be obtained. The royalty termination provision pursuant to (3) described above is shorter than 20 years and is the least likely cause of termination of royalty payments.

The Onxeo license agreement does not have a pre-determined term, but expires on a product-by-product and country-by-country basis; that is, the agreement expires with respect to a given product in a given country whenever the Company's royalty payment obligations with respect to such product have expired. The agreement may also be terminated early for cause if either the Company or Onxeo materially breach the agreement, or if either the Company or Onxeo become insolvent. The Company may also choose to terminate the agreement, either in its entirety or as to a certain product and a certain country, by providing Onxeo with advance notice.

The Company plans to internally develop Validive with the near-term goal of commencing a Phase 2b/3 clinical trial, which, if successful, may allow the Company to apply for marketing approval within the next several years. The Company will need to raise significant funds or enter into a collaboration partnership to support the further development of Validive. As of September 30, 2020, the Company had not reached any of the pre-specified milestones and has not been required to pay Onxeo any funds under this license agreement other than the $1 million one-time license fee.

Grupo Español de Investigación en Sarcomas ("GEIS")

In June 2019, the Company executed a clinical collaboration agreement with GEIS for the development of camsirubicin in patients with advanced soft tissue sarcoma ("ASTS"). GEIS will be the study sponsor and will lead a multi-country, randomized, open-label Phase 2 clinical trial to evaluate camsirubicin head-to-head against the current 1st-line treatment for ASTS, doxorubicin. Enrollment of the trial is anticipated to begin at the end of 2020 or early 2021, and will include approximately 170 ASTS patients. The Company will provide study drug and supplemental financial support for the clinical trial averaging approximately $2 million to $3 million per year. During the three and nine months ended September 30, 2020, the Company incurred $400,320 and $612,304, respectively, in expenses under the GEIS agreement and other clinical-related expenses including clinical material manufacturing and database management expenses in support of GEIS's Phase 2 camsirubicin clinical trial. During the three and nine months ended September 30, 2019, the Company incurred nominal expense related to the GEIS collaboration. The Company can terminate the agreement by providing GEIS with advance notice, and without affecting the Company's rights and ownership to any intellectual property or clinical data.

XOMA Ltd.

The intellectual property rights contributed by Tactic Pharma, LLC ("Tactic Pharma") to the Company included the non-exclusive license agreement with XOMA Ltd. for the humanization technology used in the development of MNPR-101. Pursuant to such license agreement, the Company is obligated to pay XOMA Ltd. clinical, regulatory and sales milestones for MNPR-101 that could reach up to $14.925 million if the Company achieves all milestones. The agreement does not require the payment of sales royalties. There can be no assurance that the Company will reach any milestones under the XOMA agreement. As of September 30, 2020, the Company had not reached any milestones and has not been required to pay XOMA Ltd. any funds under this license agreement.

Operating Leases

Commencing January 1, 2018, the Company entered into a lease for its executive headquarters at 1000 Skokie Blvd., Suite 350, Wilmette, Illinois. The lease term was January 1, 2018 through December 31, 2019, at which time the lease was on a month-to-month basis. In addition, effective February 2019, the Company leased additional office space in the same building on a month-to-month basis.

During the three months ended September 30, 2020 and 2019, the Company recognized operating lease expenses of $13,462 and $13,462, respectively. During the nine months ended September 30, 2020 and 2019, the Company recognized operating lease expenses of $41,565 and $38,427, respectively.

Effective January 1, 2019, the Company adopted ASU 2016-02, as amended by ASU 2018-10, which requires the Company to record leases on its condensed consolidated balance sheet as (a) a lease liability and (b) a right-of-use asset. Because the Company had no lease obligation (other than on a month-to-month basis) past December 31, 2019, the Company had no lease liability and right-of-use asset on its condensed consolidated balance sheet as of September 30, 2020 or December 31, 2019.

Legal Contingencies

The Company may be subject to claims and assessments from time to time in the ordinary course of business. No claims have been asserted to date.

Indemnification

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and provide for general indemnification. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future, but that have not yet been made. To date, the Company has not paid any claims nor been required to defend any action related to its indemnification obligations. However, the Company may record charges in the future as a result of future claims against these indemnification obligations.

In accordance with its second amended and restated certificate of incorporation, amended and restated bylaws and the indemnification agreements entered into with each officer and non-employee director, the Company has indemnification obligations to its officers and non-employee directors for certain events or occurrences, subject to certain limits, while they are serving at the Company's request in such capacities. There have been no claims to date.

Paycheck Protection Program ("PPP") Bank Loan

In May 2020, the Company applied for and received a $122,400 PPP bank loan established pursuant to the Coronavirus Aid, Relief, and Economic Security Act, as administered by the U.S. Small Business Administration ("SBA").

The SBA will forgive the bank loan pursuant to the PPP, if certain conditions are met, namely the bank loan must be used primarily for payroll during the 24-week period following receipt of the loan, without significant staffing reductions during that period. The Company believes it is eligible and intends to apply for loan forgiveness in December 2020 when the bank is able to process SBA loan forgiveness application. Should the bank loan not be forgiven, the Company would be required to pay 1% annual interest on the loan with principal and interest payments beginning approximately seven months after receipt of the loan with payments over 18 months. The Company has recorded the PPP loan on the balance sheet as of September 30, 2020 as a liability as current (due within 12 months) and non-current portions of bank loan, although the Company anticipates to reclassify the liability to a contra-expense account on the Company's statements of operations and comprehensive loss at year-end, if the Company's PPP bank loan is fully forgiven by the SBA.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and related notes contained in this Quarterly Report.

Overview

We are a clinical stage biopharmaceutical company primarily focused on developing proprietary therapeutics designed to extend life or improve quality of life for cancer patients. We are building a drug development pipeline through the licensing and acquisition of oncology therapeutics in late preclinical and clinical development stages. We leverage our scientific and clinical experience to help reduce the risk and accelerate the clinical development of our drug product candidates.

In December 2019, we closed our initial public offering. We sold 1,277,778 shares of our common stock at a public offering price of $8.00 per share. Net proceeds were approximately $9.4 million, after deducting underwriting discounts and accrued, unpaid offering expenses. Our common stock began trading on the Nasdaq Capital Market on December 19, 2019.

In January 2020, we entered into a Capital on Demand™ Sales Agreement with JonesTrading Institutional Services, LLC ("JonesTrading"), as sales agent, pursuant to which we may offer and sell (at our discretion), from time to time, through or to JonesTrading shares of our common stock, having an aggregate offering price of up to $19.7 million. Pursuant to this agreement, as of September 30, 2020, we have sold 860,677 shares of our common stock at an average gross price per share of $9.79 for net proceeds of $8,175,290, after commissions of $253,035.

In June 2020, we entered into a 50/50 collaboration development agreement with NorthStar Medical Radioisotopes, LLC ("NorthStar") to develop potential Radio-Immuno-Therapeutics ("RITs") to treat severe COVID-19 (patients with SARS-CoV-2 infection). NorthStar is a commercial producer and supplier of medical radioisotopes. This collaboration combines NorthStar's expertise in the innovative production, supply, and distribution of important medical radioisotopes with our expertise in therapeutic drug development and our pre-IND stage humanized urokinase plasminogen activator receptor ("uPAR") targeted monoclonal antibody known as MNPR-101, along with a proprietary portfolio of related monoclonal antibodies that target uPAR or its ligand uPA. uPAR seems to be selectively expressed on aberrantly activated immune cells. In response to coronavirus infection, these rogue immune cells produce pro-inflammatory cytokines that can cause runaway inflammation throughout the body, commonly referred to as a cytokine storm. It is this systemic hyper-inflammatory state that is thought to be largely responsible for the severe lung injury and multiple organ damage that contributes to poor outcomes and death in patients with severe COVID-19.

In this collaboration, we plan to couple MNPR-101 to a therapeutic radioisotope supplied by NorthStar in order to create a highly selective agent that has the potential to kill aberrantly activated cytokine-producing immune cells. By eradicating these cells with a uPAR-targeted RIT, the goal is to spare healthy cells while quickly reducing the cytokine storm and its harmful systemic effects. Through September 30, 2020, we have incurred immaterial amounts of expenses related to the NorthStar collaboration.

In November 2020, we announced a series of recently issued patents for our Phase 2b/3 clinical-stage lead product candidate, Validive (clonidine HCl mucobuccal tablet). These patents, including U.S. Patent No. 10,675,271, provide claims covering "Clonidine and/or clonidine derivatives for use in the prevention and/or treatment of adverse side effects of chemotherapy". These patents expand the potential use of Validive in cancer patients, beyond the earlier allowed claims for the prevention of oral mucositis in patients receiving chemoradiotherapy. Specifically, they provide protection for the potential ability of Validive to prevent or treat common chemotherapy-associated side effects such as gastrointestinal disorders, respiratory disorders, fatigue and headache, and would provide protection should we determine in the future to conduct additional Validive development activities related to adverse side effects of chemotherapy beyond oropharyngeal cancer.

Given the COVID-19 pandemic and its effects on clinical trials and fundraising, we have adjusted our clinical development plans accordingly to fit what is feasible in the current environment. We have simplified the design of the previously planned Phase 3 clinical trial for our lead product candidate, Validive (clonidine mucobuccal tablet; clonidine MBT), to a seamless design Phase 2b/3 that will allow us to minimize touch points with patients and sites. This seamless design will allow us to advance to the Phase 3 portion of the trial if supported by the interim data at the end of the Phase 2b portion of the trial. We are aiming to enroll the first patient in the Phase 2b portion of the trial in the fourth quarter of 2020. This modification in design allows us to initiate the clinical trial without requiring near-term financing. The decision to open the Phase 3 portion of the clinical trial will largely be dependent on our cash position closer to that time, anticipated to be in late 2021. To open and complete the Phase 3 portion of the clinical trial, we will require additional funding in the millions or tens of millions of dollars (depending on if we have consummated a collaboration or partnership or neither for Validive), which we are planning to pursue in the next 12 months.

We are continuing to devote a portion of the net proceeds from our initial public offering to support the camsirubicin Phase 2 clinical trial for which we signed a collaboration agreement in June 2019 with Grupo Español de Investigación en Sarcomas ("GEIS"), discussed in further detail below. We believe we have funds sufficient to enable GEIS to commence its open label Phase 2 clinical trial at the end of 2020 or early 2021 and to obtain results from the run-in portion of the trial.

Our Product Candidates

Validive

Validive is designed to be used prophylactically to reduce the incidence, delay the time to onset, and decrease the duration of severe oral mucositis ("SOM") in patients undergoing chemoradiotherapy ("CRT") for oropharyngeal cancer ("OPC"). SOM is a painful and debilitating inflammation and ulceration of the mucous membranes lining the oral cavity and oropharynx in response to chemoradiation. The majority of patients receiving CRT to treat their OPC develop SOM, which remains one of the most common and devastating side effects of treatment in this indication. The potential clinical benefits to patients of reducing or delaying the incidence of SOM, or reducing the duration of SOM, include: reduced treatment discontinuations leading to potentially improved overall survival outcomes; reduced mouth and throat pain avoiding the need to receive enteral (feeding tube) or parenteral (intravenous) nutrition; and decreased long-term and often permanent debilitation arising from swallowing difficulties, neck and throat spasms, and lung complications due to food aspiration. Our mucobuccal tablet ("MBT") formulation is a novel delivery system for clonidine that allows for prolonged and enhanced local delivery of drug in the regions of mucosal radiation damage in patients with OPC. Validive has been granted fast track designation in the U.S., orphan drug designation in the EU, and has global intellectual property patent protection through mid-2029 not accounting for possible extensions.

In September 2017, we exercised an option to license Validive from Onxeo S.A., the company that developed Validive through its Phase 2 clinical trial. In the completed Phase 2 clinical trial, Validive demonstrated clinically meaningful efficacy signals within the 64-patient OPC population randomized to placebo, Validive 50 µg dose and Validive 100 µg dose. The absolute incidence of SOM in OPC patients who received a dose of Validive 100 µg once per day was reduced by 26.3% (incidence rate of 65.2% in placebo, 45.0% in Validive 50 µg group, and 38.9% in Validive 100 µg group). The median time to onset of SOM was 37 days in the placebo cohort; 45 days in the Validive 50 µg cohort and no median time of onset was reached in the Validive 100 µg group since fewer than half of this cohort of patients developed SOM. There was also a 37.8% reduction in the median duration of the SOM for the Validive 100 µg group versus placebo (41.0 days placebo group, 34.0 days Validive 50 µg group, and 25.5 days Validive 100 µg group) in patients that developed SOM. Median duration of SOM across all patients, inclusive of both those that did and did not develop SOM, was 17 days in the placebo group and 0 days in each of the Validive 50 and 100 µg groups. A positive dose response was seen in each of these three clinical endpoints. Additionally, patients in the Validive cohorts in the Phase 2 clinical trial demonstrated a safety profile similar to that of placebo. While not designed by us, Onxeo's promising preclinical studies and Phase 2 clinical trial have informed the design and conduct of what we believe will be an effective Phase 2b/3 clinical trial.

SOM typically arises in the immune tissue at the back of the tongue and throat, which comprise the oropharynx, and consists of acute severe tissue damage and pain that prevents patients from swallowing, eating and drinking. Validive stimulates the alpha-2 adrenergic receptor (alpha-2AR) on macrophages (white blood cells present in the immune tissues of the oropharynx) suppressing pro-inflammatory cytokine expression. Validive exerts its effects locally in the oral cavity and oropharynx over a prolonged period of time through its unique MBT formulation. Patients who develop SOM are also at increased risk of developing late onset toxicities, including trismus (jaw, neck, and throat spasms), dysphagia, and lung complications, which are often irreversible and lead to increased hospitalization and the need for further interventions sometimes years after completion of chemoradiotherapy. We believe that a reduction in the incidence and duration of SOM by Validive will have the potential to reduce treatment discontinuation and/or treatment delays potentially leading to improved survival outcomes, and reducing or eliminating these long-term morbidities resulting from CRT.

The OPC target population for Validive is the most rapidly growing segment of head and neck cancer ("HNC") patients, estimated to exceed 40,000 new cases of OPC in the U.S alone in 2020. The growth in OPC is driven by the increasing prevalence of oral human papilloma virus ("HPV") infections in the U.S. and around the world. Despite the availability of a pediatric/adolescent HPV vaccine, the rate of OPC incidence in adults is not anticipated to be materially reduced for many decades due to low adoption of the vaccine to date. As a result, the incidence of HPV-driven OPC is projected to increase for many years to come and will continue to support a clinical need for Validive for the prevention of CRT-induced SOM in patients with OPC since CRT is the standard of care treatment, and we do not anticipate this changing for years to come.

A pre-Phase 3 meeting with the FDA was held and based on the meeting discussion, a Phase 3 clinical protocol and accompanying statistical analysis plan ("SAP") was submitted to the FDA for review and comments. We have also received protocol assistance and advice on our Phase 3 protocol and SAP from the European Medicines Agency Committee on Human Medicinal Products (EMA/CHMP/SAWP). Based on comments and guidance provided by FDA and EMA, and our analysis of the current COVID-19 pandemic and its effects on clinical trials, we have modified our original adaptive design Phase 3 clinical trial to be a seamless Phase 2b/3 clinical trial to better fit the current clinical research environment. The primary endpoint, absolute incidence of SOM, remains the same, but the overall design of the trial has been simplified and the touch points with the healthcare system have been minimized. Our aim is to commence the Phase 2b/3 clinical trial in the fourth quarter of 2020, with the interim (completion of Phase 2b) reached approximately 12 months from first patient dosed, and the Phase 3 enrollment completed in the fourth quarter of 2022. Opening the Phase 3 portion of the trial will be subject to the interim (Phase 2b) results and our ability to raise additional funding or find a suitable pharmaceutical partner.

Camsirubicin

Our second product candidate, camsirubicin, is a novel analog of doxorubicin which has been designed to reduce the cardiotoxic side effects generated by doxorubicin while retaining anti-cancer activity. Camsirubicin is not metabolized to the derivatives that are believed to be responsible for doxorubicin's cardiotoxic effects. A Phase 2 clinical trial for camsirubicin has been completed in patients with advanced (e.g. unresectable or metastatic) soft tissue sarcoma ("ASTS"). Average life expectancy for these patients is 12-15 months. In this study, 52.6% of patients evaluable for tumor progression demonstrated clinical benefit (partial response or stable disease), which was proportional to dose and consistently observed at higher cumulative doses of camsirubicin (>1000 mg/m2). Camsirubicin was very well tolerated in this study and underscored the ability to potentially administer camsirubicin without restriction of cumulative dose in patients with ASTS. Doxorubicin is limited to a lifetime cumulative dose maximum of 450 mg/m2. Even if a patient is responding, they are pulled off of doxorubicin treatment once this cumulative dose has been reached.

Based on encouraging clinical results to date, we plan to continue the development of camsirubicin as 1st-line treatment in patients with ASTS, where the current first line treatment is doxorubicin. The aim is to administer camsirubicin without restricting cumulative dose, thereby potentially improving efficacy beyond that of doxorubicin by keeping patients who are responding on treatment. In June 2019, we entered into a clinical collaboration with GEIS. GEIS will lead a multi-country, randomized, open-label Phase 2 clinical trial evaluating camsirubicin head-to-head against doxorubicin in patients with ASTS. GEIS is an internationally renowned non-profit organization focused on the research, development and management of clinical trials for sarcoma, that has worked with many of the leading biotech and global pharmaceutical companies. Enrollment of the trial is currently anticipated to begin at the end of 2020 or early 2021, and to include approximately 170 ASTS patients, an interim analysis, and take around two years to enroll. The trial will begin with a dose escalation ("run-in") prior to the randomization portion of the trial. The primary endpoint of the trial will be progression-free survival, with secondary endpoints including overall survival, response rate and incidence of treatment-emergent adverse events. In November 2019, the European Commission granted orphan drug designation for camsirubicin for the treatment of soft tissue sarcoma in the EU.

MNPR-101

Our third program, MNPR-101, is a novel first-in-class humanized monoclonal antibody to the urokinase plasminogen activator receptor ("uPAR") for the treatment of advanced cancers and severe COVID-19. We have entered into a collaboration development agreement with NorthStar to develop potential RITs to treat severe COVID-19. This collaboration combines NorthStar's expertise in the innovative production, supply, and distribution of important medical radioisotopes with our expertise in therapeutic drug development. NorthStar and we plan to couple MNPR-101 along with a proprietary portfolio of related monoclonal antibodies that target uPAR or its ligand uPA with a therapeutic radioisotope. uPAR seems to be selectively expressed on aberrantly activated immune cells. In response to coronavirus infection, these rogue immune cells produce pro-inflammatory cytokines that can cause runaway inflammation throughout the body, commonly referred to as a cytokine storm. It is this systemic hyper-inflammatory state that is thought to be largely responsible for the severe lung injury and further multiple organ damage that contributes to poor outcomes and death in patients with severe COVID-19.

In collaboration with NorthStar, we have filed a provisional patent application entitled "Precision Radioimmunotherapeutic Targeting of the Urokinase Plasminogen Activator Receptor (uPAR) for Treatment of Severe COVID-19 Disease" with the U.S. Patent and Trademark Office ("USPTO"). This application covers novel compositions and uses of cytotoxic radioisotopes attached to antibodies that bind to uPAR, thereby creating precision targeted radiotherapeutics, also known as uPRITs, for the treatment of severe COVID-19 and other respiratory diseases. Advanced COVID-19 patients frequently develop severe, life-threatening, pulmonary inflammation as a result of a viral induced cytokine storm. The development of this cytokine storm is associated with a high rate of mortality in severe COVID-19 patients, even with oxygen support and mechanical ventilation. uPRITs have been designed with the goal of selectively eliminating the aberrantly activated immune cells responsible for causing the cytokine storm. By eradicating these cells with a targeted RIT, the goal is to spare healthy cells while quickly reducing the cytokine storm and its harmful systemic effects. The co-inventors of the provisional patent application are James Harvey, Chief Scientific Officer of NorthStar, and Andrew P. Mazar, our Chief Scientific Officer. We have also entered into collaborations with IsoTherapeutics, LLC and Aragen Bioscience, Inc. to generate and evaluate candidate uPRIT conjugates for activity against uPAR with the goal of identifying one to two development candidates by the end of 2020.

Revenues

We are an emerging growth company, have no approved drugs and have not generated any revenues. To date, we have engaged in acquiring pharmaceutical drug product candidates, licensing rights to drug product candidates, entering into collaboration agreements for testing and clinical development of our drug product candidates and providing the infrastructure to support the clinical development of our drug product candidates. We do not anticipate commercial revenues from operations until we complete testing and development of one of our drug product candidates and obtain marketing approval or we sell, enter into a collaborative marketing arrangement, or out- license one of our drug product candidates to another party. See "Liquidity and Capital Resources".

Recently Issued and Adopted Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and condensed consolidated results of operations is disclosed in Note 2 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q.

Critical Accounting Policies and Use of Estimates

While our significant accounting policies are described in more detail in Note 2 of our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, we believe the following accounting policies to be critical to the judgments and estimates used in the preparation of our condensed consolidated financial statements.

Stock-Based Compensation

We account for stock-based compensation arrangements with employees, non-employee directors and consultants using a fair value method, which requires the recognition of compensation expense for costs related to all stock-based awards, including stock option grants and RSUs. The fair value method requires us to estimate the fair value of stock-based payment awards on the date of grant using an option pricing model or the closing stock price on date of grant in the case of RSUs.

Stock-based compensation costs for stock awards granted to our employees and non-employee directors are based on the fair value of the underlying instruments calculated using the Black-Scholes option-pricing model on the date of grant for stock options and using the closing stock price on the date of grant for RSUsand recognized as expense on a straight-line basis over the requisite service period, which is the vesting period. Determining the appropriate fair value model and related assumptions requires judgment, including selecting methods for estimating the Company's future stock price volatility, forfeiture rates and expected term. The expected volatility rates are estimated based on the actual volatility of comparable public companies over recent historical periods of the same length as the expected term. We generally selected these companies based on reasonably comparable characteristics, including market capitalization, risk profiles, stage of corporate development and with historical share price information sufficient to meet the expected term of the stock-based awards. The expected term for stock options granted during the three and nine months ended September 30, 2020 and 2019 was estimated using the simplified method. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. We have not paid dividends and do not anticipate paying a cash dividend in future vesting periods and, accordingly, use an expected dividend yield of zero. The risk-free interest rate is based on the rate of U.S. Treasury securities with maturities consistent with the estimated expected term of the awards. Prior to January 1, 2019, the measurement of consultant stock-based compensation was subject to periodic adjustments as the underlying equity instruments vested and was recognized as an expense over the period in which services were rendered. Since January 1, 2019, consultant stock-based compensation is valued on the grant date and is recognized as an expense over the period in which services are rendered.

Results of Operations

Comparison of the Three Months and Nine Months Ended September 30, 2020 and September 30, 2019

The following tables summarize the results of our operations for the three and nine months ended September 30, 2020 and 2019:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	(Unaudited)			*(Unaudited)*		
(in thousands)	**2020**	**2019**	**Variance**	**2020**	**2019**	**Variance**
Research and development expenses	$ 1,256	$ 220	$ 1,036	$ 2,433	$ 1,385	$ 1,048
General and administrative expenses	392	539	(147)	1,815	1,714	101
Total operating expenses	1,648	759	889	4,248	3,099	1,149
Operating loss	(1,648)	(759)	(889)	(4,248)	(3,099)	(1,149)
Interest income, net	9	23	(14)	72	81	(9)
Net loss	$ (1,639)	$ (736)	$ (903)	$ (4,176)	$ (3,018)	$ (1,158)

Research and Development Expenses

Research and Development ("R&D") expenses for the three months ended September 30, 2020 were approximately $1,256,000, compared to approximately $220,000, for the three months ended September 30, 2019. This represents an increase of approximately $1,036,000 primarily attributed to increases in expenses for the planning of the camsirubicin Phase 2 clinical trial including manufacturing of $380,000, increases in Validive clinical trial planning and manufacturing costs of approximately $325,000, an increase in the allocation of the CEO's salary and benefits for the three months to R&D expenses of $224,000, annual R&D personnel salary increases, annual (non-cash) equity grants and salaries and benefits of three new R&D personnel of approximately $134,000, partially offset by a decrease in other R&D expenses of $27,000.

R&D expenses for the nine months ended September 30, 2020 were approximately $2,433,000, compared to approximately $1,385,000, for the nine months ended September 30, 2019. This represents an increase of approximately $1,048,000 primarily attributed to increases in expenses for the planning of the camsirubicin Phase 2 clinical trial including manufacturing of $590,000, annual R&D personnel salary increases, annual (non-cash) equity grants and salaries and benefits of three new R&D personnel of approximately $324,000, an increase to the allocation of the CEO's salary and benefits to R&D expenses of $306,000, partially offset by a decreases in Validive clinical trial planning and manufacturing costs of approximately $138,000 and other R&D expenses of $34,000.

General and Administrative Expenses

General and Administrative ("G&A") expenses for the three months ended September 30, 2020 were approximately $392,000, compared to approximately $539,000, for the three months ended September 30, 2019. This represents a decrease of approximately $147,000 primarily attributed to the CEO's salary and benefits allocated from G&A expenses to R&D expenses of $224,000, decreases in stock-based compensation for non-employee directors (non-cash) of $22,000, and patent fees of $13,000, partially offset by increases in stock-based compensation for annual (non-cash) equity grants and annual G&A personnel salary increases of $76,000, external fees related to public company compliance of $14,000, and net increases in other G&A expenses of $22,000.

G&A expenses for the nine months ended September 30, 2020 were approximately $1,815,000, compared to approximately $1,714,000, for the nine months ended September 30, 2019. This represents an increase of approximately $101,000 primarily attributed to net increases in stock-based compensation for annual (non-cash) equity grants and annual G&A personnel salary increases of $318,000, increases in legal and audit fees related to public company compliance of $116,000, and net increases in general costs of operations of $45,000, partially offset by the CEO's salary and benefits allocated from G&A expenses to R&D expenses of $306,000, and decreases in stock-based compensation for non-employee directors (non-cash) of $72,000.

Interest Income

Interest income for the three months ended September 30, 2020 compared to the three months ended September 30, 2019 decreased by approximately $14,000, due to a significant decrease in bank interest rates partially offset by an increase in bank balances resulting from our initial public offering in December 2019 and funds raised in our Capital on Demand™ Sales Agreement with JonesTrading.

Interest income for the nine months ended September 30, 2020 compared to the nine months ended September 30, 2019 decreased by approximately $9,000, due to a significant decrease in bank interest rates partially offset by an increase in bank balances resulting from our initial public offering in December 2019 and funds raised in our Capital on Demand™ Sales Agreement with JonesTrading.

Liquidity and Capital Resources

Sources of Liquidity

We have incurred losses and cumulative negative cash flows from operations since our inception in December 2014 resulting in an accumulated deficit of approximately $30.1 million as of September 30, 2020. We anticipate that we will continue to incur losses for the foreseeable future. We expect that our research and development and general and administrative expenses will increase to enable the execution of our strategic plan. As a result, we anticipate that we will need to raise additional capital to fund our future operations. We will seek to obtain needed capital through a combination of equity offerings, debt financings, strategic collaborations and grant funding. To date, we have funded our operations through private placements of our preferred and common stock, the net receipt of funds related to the acquisition of camsirubicin, net proceeds from the initial public offering of our common stock and net proceeds from sales under our Capital on Demand™ Sales Agreement. We anticipate that the currently available funds as of October 31, 2020, will fund our operations through December 2021.

We invest our cash equivalents in a money market account.

Cash Flows

The following table provides information regarding our cash flows for the nine months ended September 30, 2020 and 2019.

(in thousands)	Nine Months Ended September 30, 2020	2019	Nine Months ended September 30, 2020 versus Nine Months ended September 30, 2019 Variance
Net cash used in operating activities	$ (3,421)	$ (2,349)	$ (1,072)
Net cash provided by (used in) financing activities	8,189	(39)	8,228
Effect of exchange rates	1	(10)	11
Net increase (decrease) in cash and cash equivalents	$ 4,769	$ (2,398)	$ 7,167

Cash Flow Used in Operating Activities

The increase of approximately $1,072,000 in cash flow used in operating activities during the nine months ended September 30, 2020, compared to the nine months ended September 30, 2019, was primarily a result of increased R&D and G&A cash operating expenses.

Cash Flow Used in Investing Activities

There was no cash flow used in investing activities for the nine months ended September 30, 2020 and 2019.

Cash Flow Provided by (Used in) Financing Activities

The increase of approximately $8,228,000 in cash flow provided by financing activities for the nine months ended September 30, 2020 compared to the nine months ended September 30, 2019, was a result of sales of our common stock under our Capital on Demand™ Sales Agreement with JonesTrading and the receipt of the PPP forgivable bank loan.

Future Funding Requirements

To date, we have not generated any revenue from product sales. We do not know when, or if, we will generate any revenue from product sales. We do not expect to generate any revenue from product sales unless and until we obtain regulatory approval of and commercialize any of our current or future drug product candidates or we out-license or sell a drug product candidate to another party. At the same time, we expect our expenses to increase in connection with our ongoing development activities, particularly as we continue the research, development, future preclinical studies and clinical trials of, and seek regulatory approval for, our current and future drug product candidates. If we obtain regulatory approval of any of our current or future drug product candidates, we will need substantial additional funding for commercialization requirements and our continuing drug product development operations.

As a company, we have not completed development through marketing approvals of any therapeutic products. We expect to continue to incur significant increases in expenses and increasing operating losses for the foreseeable future. We anticipate that our expenses will increase substantially as we:

- advance the clinical development and execute the regulatory strategy for Validive;
- continue the clinical development and execute the regulatory strategy for camsirubicin;
- continue the preclinical activities and potentially enter clinical development of MNPR-101 for severe COVID-19;
- acquire and/or license additional pipeline drug product candidates and pursue the future preclinical and/or clinical development of such drug product candidates;
- seek regulatory approvals for any of our current and future drug product candidates that successfully complete registration clinical trials;
- establish or purchase the services of a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval;
- develop our manufacturing/quality capabilities or establish a reliable, high quality supply chain sufficient to support our clinical requirements and to provide sufficient capacity to launch and grow the sales of any product for which we obtain marketing approval; and
- add or contract for required operational, financial and management information systems and capabilities and other specialized expert personnel to support our drug product candidate development and planned commercialization efforts.

We anticipate that the funds available as of October 31, 2020, will fund our planned operations through December 2021. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug product candidates, and the extent to which we enter into collaborations with third parties to participate in the development and commercialization of our drug product candidates, we are unable to accurately estimate with high reliability the amounts and timing required for increased capital outlays and operating expenditures associated with our current and anticipated drug product candidate development programs. Our future capital requirements will depend on many factors, including:

- the progress of regulatory interactions and clinical development of Validive;
- the progress of clinical development and regulatory outcomes of camsirubicin;
- the progress of preclinical and clinical development of MNPR-101 including through our collaboration with NorthStar;
- the number and characteristics of other drug product candidates that we may license, acquire or otherwise pursue;
- the scope, progress, timing, cost and results of research, preclinical development and clinical trials of current and future drug product candidates;
- the costs, timing and outcomes of seeking and obtaining FDA and international regulatory approvals;
- the costs associated with manufacturing/quality requirements and establishing sales, marketing and distribution capabilities;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make in connection with the licensing, filing, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire or contract for additional management, administrative, scientific, medical, sales and marketing, and manufacturing/quality and other specialized personnel or external expertise;
- the effect of competing products or new therapies that may limit market penetration or prevent the introduction of our drug product candidates or reduce the commercial potential of our product portfolio;
- our need to implement additional internal systems and infrastructure; and
- the economic and other terms, timing and success of our existing collaboration and licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future, including the timing of receipt of or payment to or from others of any milestone or royalty payments under these arrangements.

Funding Requirements in the Fourth Quarter of 2020 and Onward

Expenditures are expected to increase in the fourth quarter of 2020 and onward for:

- contract research services and clinical site fees for the Validive Phase 2b/3 clinical trial;
- process development, manufacturing costs and clinical database management of camsirubicin in connection with the GEIS Phase 2 clinical trial;
- supporting the NorthStar collaboration;
- GEIS collaboration milestone fees; and
- employee compensation and consulting fees to support the planning and initiation of our Validive Phase 2b/3 clinical trial.

We are aiming to enroll the first patient in our Phase 2b/3 clinical trial for Validive in the fourth quarter of 2020. We will proceed to the Phase 3 portion of the clinical trial based on an interim analysis of the Phase 2b portion, pending our ability to raise sufficient funds. To commence the Phase 3 portion of the trial, we will require additional funding in the millions or tens of millions of dollars (depending on if we have consummated a collaboration or partnership or neither for Validive), or find a suitable pharmaceutical partner, both of which we are planning to pursue in the next 12 months. There can be no assurance that any such events will occur. We intend to continue evaluating drug product candidates for the purpose of growing our pipeline. Identifying and securing high quality compounds usually takes time and related expenses; however, our spending could be significantly accelerated in the fourth quarter of 2020 and onward if additional drug product candidates are acquired and enter clinical development. In this event, we may be required to expand our management team, and pay higher contract manufacturing costs, contract research organization fees, other clinical development costs and insurance costs that are not currently projected. The anticipated operating cost increases in the fourth quarter of 2020 and onward are expected to be primarily driven by the funding of our planned Validive Phase 2b/3 clinical trial and in support of the GEIS Phase 2 clinical trial of camsirubicin. Beyond our need to raise additional funding in the next 12 months to start the Validive Phase 3 portion of the trial, we will also need significant additional funding thereafter in order to complete the clinical trial, support further development of camsirubicin in and beyond the Phase 2 trial, to support our collaboration with NorthStar, if successful, and generally to support our current and any future product candidates through completion of trials, approval processes and, if applicable, commercialization.

Until we can generate a sufficient amount of product revenue to finance our cash requirements, we expect to finance our future cash needs primarily through a combination of equity offerings, debt financings, strategic collaborations and grant funding. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our current stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our current stockholders' rights. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with other parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or drug product candidates or grant licenses on terms that may not be favorable to us, which will reduce our future returns and affect our future operating flexibility. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our pipeline product development or commercialization efforts or grant rights to others to develop and market drug product candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations and Commitments

License, Development and Collaboration Agreements

Onxeo S.A.

In June 2016, we executed an agreement with Onxeo S.A., a French public company, which gave us the exclusive option to license (on a world-wide exclusive basis) Validive (clonidine mucobuccal tablet; clonidine MBT a mucoadhesive tablet of clonidine based on the Lauriad mucoadhesive technology) to pursue treating severe oral mucositis in patients undergoing chemoradiation treatment for head and neck cancers. The agreement includes clinical, regulatory, developmental and sales milestones that could reach up to $108 million if we achieve all milestones, and escalating royalties from 5% to 10% on net sales. In September 2017, we exercised the option to license Validive from Onxeo for $1 million, but as of October 31, 2020, we have not been required to pay Onxeo any other funds under the agreement. We anticipate the need to raise significant funds to support the completion of clinical development and marketing approval of Validive.

Under the agreement, we are required to pay royalties to Onxeo on a product-by-product and country-by-country basis until the later of (1) the date when a given product is no longer within the scope of a patent claim in the country of sale or manufacture, (2) the expiry of any extended exclusivity period in the relevant country (such as orphan drug exclusivity, pediatric exclusivity, new chemical entity exclusivity, or other exclusivity granted beyond the expiry of the relevant patent), or (3) a specific time period after the first commercial sale of the product in such country. In most countries, including the U.S., the patent term is generally 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable country, not taking into consideration any potential patent term adjustment that may be filed in the future or any regulatory extensions that may be obtained. The royalty termination provision pursuant to (3) described above is shorter than 20 years and is the least likely cause of termination of royalty payments.

The Onxeo license agreement does not have a pre-determined term, but expires on a product-by-product and country-by-country basis; that is, the agreement expires with respect to a given product in a given country whenever our royalty payment obligations with respect to such product have expired. The agreement may also be terminated early for cause if either we or Onxeo materially breach the agreement, or if either we or Onxeo become insolvent. We may also choose to terminate the agreement, either in its entirety or as to a certain product and a certain country, by providing Onxeo with advance notice.

Grupo Español de Investigación en Sarcomas ("GEIS")

In June 2019, we executed a clinical collaboration with GEIS for the development of camsirubicin in patients with advanced soft tissue sarcoma ("ASTS"). GEIS will be the study sponsor and will lead a multi-country, randomized, open-label Phase 2 clinical trial to evaluate camsirubicin head-to-head against doxorubicin in patients with ASTS. Enrollment of the trial is anticipated to begin at the end of 2020 or early 2021 and will include approximately 170 ASTS patients. We will provide study drug and supplemental financial support for the clinical trial averaging approximately $2 million to $3 million per year. During the three and nine months ended September 30, 2020, we incurred $400,320 and $612,304 in GEIS and other clinical-related expenses including clinical material manufacturing and database management expenses in support of GEIS's Phase 2 camsirubicin clinical trial. During the three and nine months ended September 30, 2019, we incurred nominal expense related to the GEIS collaboration. We can terminate the agreement by providing GEIS with advance notice, and without affecting the Company's rights and ownership to any intellectual property or clinical data.

XOMA Ltd.

The intellectual property rights contributed by Tactic Pharma, LLC to us included the non-exclusive license agreement with XOMA Ltd. for the humanization technology used in the development of MNPR-101. Pursuant to such license agreement, we are obligated to pay XOMA Ltd. clinical, regulatory and sales milestones which could reach up to $14.925 million if we achieve all milestones for MNPR-101. The agreement does not require the payment of sales royalties. There can be no assurance that we will achieve any milestones. As of October 31, 2020, we had not reached any milestones and had not been required to pay XOMA Ltd. any funds under this license agreement.

Service Providers

In the normal course of business, we contract with service providers to assist in the performance of research and development, financial strategy, audit, tax and legal support. We can elect to discontinue the work under these agreements at any time. We could also enter into collaborative research and development, contract research, manufacturing and supplier agreements in the future, which may require upfront payments and/or long-term commitments of cash.

Office Lease

Effective January 1, 2018, we leased office space in the Village of Wilmette, Illinois for $2,520 per month for 24 months. This office space houses our current headquarters. On December 31, 2019, the office lease expired and we continued to lease on a month-to-month basis. In February 2019, we leased additional office spaces on a month-to month basis at our headquarters and we anticipate that we will lease additional space in the future as we hire additional personnel.

Legal Contingencies

We are currently not, and to date have never been, a party to any material legal proceedings.

Indemnification

In the normal course of business, we enter into contracts and agreements that contain a variety of representations and warranties and provide for general indemnification. Our exposure under these agreements is unknown because it involves claims that may be made against us in the future, but that have not yet been made. To date, we have not paid any claims or been required to defend any action related to our indemnification obligations. However, we may record charges in the future as a result of these indemnification obligations.

In accordance with our Second Amended and Restated Certificate of Incorporation, Amended and Restated Bylaws and the indemnification agreements entered into with each officer and non-employee director, we have indemnification obligations to our officers and non-employee directors for certain events or occurrences, subject to certain limits, while they are serving at our request in such capacity. There have been no claims to date.

Off-Balance Sheet Arrangements

To date, we have not had any off-balance sheet arrangements, as defined under the SEC rules.

Item 4. Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have provided certifications filed as Exhibits 31.1 and 32.1, and 31.2, respectively. Such certifications should be read in conjunction with the information contained in this Item 4 for a more complete understanding of the matters covered by those certifications.

(a) Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of September 30, 2020, pursuant to Rules 13a15(e) and 15d15(e) under the Exchange Act. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures, as of such date, were effective.

(b) Changes in Internal Control over Financial Reporting

We have concluded that the condensed consolidated financial statements and other financial information included in this Quarterly Report on Form 10-Q fairly present in all material respects our financial condition, results of operations and comprehensive loss and cash flows as of, and for, the periods presented.

There have been no changes in our internal control over financial reporting during the three and nine months ended September 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

Except for the updated risk factor set forth below, there have been no material changes in information regarding our risk factors as described in Item 1A of our Annual Report on Form 10-K as filed with the SEC on March 27, 2020.

Our operations and financial results could be adversely impacted by the global outbreak of the 2019 Novel Coronavirus (COVID-19), which has negatively impacted our stock price and our ability to raise substantial funds in the near-term, and may negatively impact our ability to manufacture our product candidates for our clinical trials, our ability to accrue and conduct our planned clinical trials, and may delay regulatory agency responses. Any such impact will negatively impact our financial condition and could require us to delay our clinical development programs.

In December 2019, a novel strain of coronavirus ("COVID-19") was reported to have surfaced in Wuhan, China, resulting in significant disruptions to Chinese manufacturing and supply chain, as well as travel restrictions in many countries. In March 2020, COVID-19 was designated a global pandemic and many countries, including the United States, have declared national emergencies and have implemented preventive measures by limiting large public gatherings, setting separation distances between individuals (social distancing), rules for mandatory use of personal protective equipment (primarily masks) and shelter-in-place mandates. Many employers are restricting non-essential work travel and are requiring that employees work from their homes to limit personal interaction. Many businesses are closed or are operating in a substantially reduced fashion and many employees have been laid off. While the extent of the impact of the COVID-19 pandemic on our business and financial results is uncertain, a continued and prolonged public health crisis such as the COVID-19 pandemic would have a negative impact on our business, financial condition and operating results. The COVID-19 pandemic has resulted in significant volatility and substantial declines in the stock markets, which have negatively impacted our stock price and negatively impacted our ability to raise significant funds in the near-term. It is unknown the potential impact in the long-term in the event of a prolonged disruption or recession. In addition, the COVID-19 pandemic could impact the conduct of clinical trials as a result of quarantines, site closures, travel limitations, delays in the manufacturing of our product candidates for our clinical trials due to supply chain disruptions, and delays in the initiation and enrollment of patients in our planned clinical trials, or other considerations if site personnel or trial subjects become infected with COVID-19,which would negatively impact our financial condition and could require us to delay our clinical development programs. In addition, COVID-19 could delay U.S. and foreign regulatory agencies from responding to our submissions either due to shortages of personnel or shifting their priorities to COVID-19 related therapeutics, resulting in potential delays of our planned clinical trials. Given the dynamic nature of these circumstances, the duration of any business disruption or potential duration and impact of the COVID-19 pandemic to our business is difficult to predict. In response to the current COVID-19 pandemic and its effects on clinical trials, we have modified the original adaptive design Phase 3 clinical trial for our lead product candidate, Validive, to be a Phase 2b/3 clinical trial to better fit the types of trials which can enroll patients in the current environment. We are aiming to enroll the first patient in a Phase 2b/3 clinical trial for Validive in the fourth quarter of 2020. The Phase 3 portion of the clinical trial is anticipated to start right after the Phase 2b portion, pending our ability to raise sufficient funds. To commence the Phase 3 portion of the trial, we will require additional funding in the millions or tens of millions of dollars (depending on if we have consummated a collaboration or partnership or neither for Validive), or find a suitable pharmaceutical partner, both of which we are planning to pursue in the next 12 months. There can be no assurance that any such events will occur.

Item 6. Exhibits

The following exhibits are filed as part of this Quarterly Report.

Exhibit	Document	Incorporated by Reference From:
10.1	Form of Indemnification Agreement	Filed herewith
31.1	Certification of Chandler D. Robinson, Chief Executive Officer	Filed herewith
31.2	Certification of Kim R. Tsuchimoto, Chief Financial Officer	Filed herewith
32.1	Certification of Chandler D. Robinson, Chief Executive Officer and Kim R. Tsuchimoto, Chief Financial Officer	Filed herewith
101.INS	XBRL Instance Document	
101.SCH	XBRL Taxonomy Extension Schema	
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	
101.DEF	XBRL Taxonomy Extension Definition Linkbase	
101.LAB	XBRL Taxonomy Extension Label Linkbase	
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	

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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.

MONOPAR THERAPEUTICS INC.

Dated: November 12, 2020

By: /s/ Chandler D. Robinson
Chandler D. Robinson
Chief Executive Officer and Director
(Principal Executive Officer)

Dated: November 12, 2020

By: /s/ Kim R. Tsuchimoto
Kim R. Tsuchimoto
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

FORM OF

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement"), dated as of _____, is by and between Monopar Therapeutics Inc., a Delaware corporation (the "Company"), and _____ ("Indemnitee").

RECITALS

1. The Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve as officers and directors of the Company and to indemnify its officers and directors so as to provide them with the maximum protection permitted by law.

2. In order to address such issues and induce Indemnitee to serve or continue to serve as an officer or director of the Company, the Company has determined to enter into this Agreement with Indemnitee.

3. The indemnification rights provided to Indemnitee pursuant to this Agreement are in addition to any rights for indemnification provided to Indemnitee pursuant to the Company's certificate of incorporation (as it may be amended from time to time, the "Certificate of Incorporation"), the Company's bylaws (as they may be amended from time to time, the "Bylaws") and any resolutions adopted pursuant thereto and to any indemnification rights to which Indemnitee may be entitled under the General Corporation Law of the State of Delaware (the "DGCL").

AGREEMENT

Therefore, the Company and Indemnitee agree as follows:

1. Definitions.

a. A "Change in Control" shall mean the occurrence of any one or more of the following events:

i. any Person (other than any Permitted Holder as defined in the Company's Certificate of Incorporation) becomes the Beneficial Owner (except that a Person shall be deemed to be the Beneficial Owner of all shares that any such Person has the right to acquire pursuant to any agreement or arrangement or upon exercise of conversion rights, warrants or options or otherwise, without regard to the sixty (60) day period referred to in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company, representing thirty percent (30%) or more of the combined voting power of such entity's then outstanding securities;

ii. during any twelve (12) month period, a majority of the members of the board of directors of the Company is replaced by individuals who were not members of the board of directors of the Company at the beginning of such twelve (12) month period and whose election by the board of directors of the Company or nomination for election by the Company's shareholders was not approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such twelve (12) month period or whose election or nomination for election was previously so approved;

iii. the consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) fifty percent (50%) or more of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation; or

iv. the consummation of a sale or disposition of all or substantially all of the assets of the Company, other than such a sale or disposition that would result in the voting securities of the Company outstanding immediately prior thereto representing fifty percent (50%) or more of the combined voting power of the acquiring entity outstanding immediately after such a sale or disposition.

For purposes of this Section 1(a), the following terms shall have the following meanings:

(1) "Person" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

(2) "Beneficial Owner" shall have the meaning ascribed to such term in Rule13d-3 and Rule 13d-5 of the Exchange Act.

b. "Bylaws" shall have the meanings set forth in the Recitals.

c. "Certificate of Incorporation" shall have the meaning set forth in the Recitals.

d. "Corporate Status" describes the status of a person who is or was a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of the Company or any other Enterprise.

e. "DGCL" shall have the meaning set forth in the Recitals.

f. "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

g. "Enterprise" means the Company and any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary.

h. "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder, or any successor act thereto.

i. "Expenses" include all reasonable and actually incurred attorneys' fees, retainers, court costs, transcript costs, fees and costs of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond or other appeal bond or their equivalent, and (ii) for purposes of Section 12(d), Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

j. "Independent Counsel" means a law firm, or a partner or member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than as Independent Counsel with respect to matters concerning Indemnitee under this Agreement, or other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "*Independent Counsel*" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

k. "Proceeding" means any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, including any appeal therefrom and including without limitation any such Proceeding pending as of the date of this Agreement, in which Indemnitee was, is or will be involved as a party, a potential party, a non-party witness or otherwise by reason of (i) the fact that Indemnitee is or was a director or officer of the Company, (ii) any action taken by Indemnitee or any action or inaction on Indemnitee's part while acting in the capacity of a director or officer of the Company, or (iii) the fact that he or she is or was serving at the request of the Company as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of the Company or any other Enterprise, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification or advancement of expenses can be provided under this Agreement.

l. Construction of Certain Phrases. Reference to "*other enterprises*" shall include employee benefit plans; references to "*fines*" shall include any excise taxes assessed on a person with respect to any employee benefit plan; references to "*serving at the request of the Company*" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "*not opposed to the best interests of the Company*" as referred to in this Agreement.

2. Indemnification in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 2 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 2, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

3. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 3 in respect of any claim, issue or matter as to which Indemnitee shall have been adjudged by a court of competent jurisdiction to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court of Chancery or such other court shall deem proper.

4. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. To the extent that Indemnitee is a party to or a participant in and is successful (on the merits or otherwise) in defense of any Proceeding or any claim, issue or matter therein, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. For purposes of this section, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

5. Indemnification for Expenses of a Witness. To the extent that Indemnitee is, by reason of his or her Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified to the extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

6. Additional Indemnification. Notwithstanding any limitation in Sections 2, 3 or 4, the Company shall indemnify Indemnitee to the fullest extent permitted by applicable law, as such may be amended from time to time, if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with the Proceeding or any claim, issue or matter therein.

7. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any Proceeding (or any part of any Proceeding):

a. for which payment has actually been made to or on behalf of Indemnitee under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

b. for an accounting or disgorgement of profits pursuant to Section 16(b) of the Exchange Act or similar provisions of federal, state or local statutory law or common law, if Indemnitee is held liable therefor (including pursuant to any settlement arrangements in connection therewith);

c. for any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act of 2002), if Indemnitee is held liable therefor (including pursuant to any settlement arrangements in connection therewith);

d. initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees, agents or other indemnitees, unless (i) the Company's board of directors authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) otherwise authorized in Section 12, or (iv) otherwise required by applicable law; or

e. if prohibited by law.

8. Advances of Expenses. The Company shall advance the Expenses incurred by Indemnitee in connection with any Proceeding prior to its final disposition, and such advancement shall be made as soon as reasonably practicable, but in any event no later than 90 days, after the receipt by the Company of a written statement or statements requesting such advances from time to time (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditure made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice). Indemnitee hereby undertakes to repay any advance to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company, and no other form of undertaking shall be required other than the execution of this Agreement. Such repayment obligation will be unsecured and will not bear interest. This Section 8 shall not apply to the extent advancement is prohibited by law and shall not apply to any Proceeding (or any part of any Proceeding) for which indemnity is not permitted under this Agreement, but shall apply to any Proceeding (or any part of any Proceeding) referenced in Section 7(b) or 7(c) prior to a determination that Indemnitee is not entitled to be indemnified by the Company.

9. Procedures for Notification and Defense of Claim.

   a. Indemnitee shall notify the Company in writing of any matter with respect to which Indemnitee intends to seek indemnification or advancement of Expenses as soon as reasonably practicable following the receipt by Indemnitee of notice thereof. The written notification to the Company shall include, in reasonable detail, a description of the nature of the Proceeding and the facts underlying the Proceeding. The failure by Indemnitee to notify the Company will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights, except to the extent that such failure or delay materially prejudices the Company.

   b. If, at the time of the receipt of a notice of a Proceeding pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect that may be applicable to the Proceeding, the Company shall give prompt notice of the commencement of the Proceeding to the insurers in accordance with the procedures set forth in the applicable policies. The Company shall thereafter take all commercially-reasonable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

   c. If the Company is obligated to make any indemnity in connection with a Proceeding, the Company may assume the defense of such Proceeding with counsel approved by Indemnitee, which approval shall not be unreasonably withheld, conditioned or delayed, upon the delivery to Indemnitee of written notice of the Company's election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee for any fees or expenses of counsel subsequently incurred by Indemnitee with respect to the same Proceeding. Notwithstanding the Company's assumption of the defense of any such Proceeding, the Company shall be obligated to pay the fees and expenses of Indemnitee's separate counsel to the extent (i) the employment of separate counsel by Indemnitee is authorized by the Company, (ii) counsel for the Company or Indemnitee shall have reasonably concluded that there is a conflict of interest between the Company and Indemnitee in the conduct of any such defense such that Indemnitee needs to be separately represented, (iii) the Company is not financially or legally able to perform its indemnification obligations, or (iv) the Company shall not have retained, or shall not continue to retain, counsel to defend such Proceeding. Regardless of any provision in this Agreement, Indemnitee shall have the right to employ counsel in any Proceeding at Indemnitee's personal expense. The Company shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company.

   d. Indemnitee shall give the Company such information and cooperation in connection with the Proceeding as may be reasonably appropriate.

   e. The Company shall not be liable to indemnify Indemnitee for any settlement of any Proceeding (or any part thereof) without the Company's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

   f. The Company shall not settle any Proceeding (or any part thereof) in a manner that imposes any penalty or liability on Indemnitee without Indemnitee's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

10. Procedures upon Application for Indemnification.

   a. To obtain indemnification, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and as is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of the Proceeding. The Company shall, as soon as reasonably practicable after receipt of such a request for indemnification, advise the board of directors that Indemnitee has requested indemnification. Any delay in providing the request will not relieve the Company from its obligations under this Agreement, except to the extent such failure is prejudicial.

   b. Upon written request by Indemnitee for indemnification pursuant to Section 10(a), a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Company's board of directors, a copy of which shall be delivered to Indemnitee or (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Company's board of directors, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Company's board of directors, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Company's board of directors, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Company's board of directors, by the stockholders of the Company. If it is determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within thirty days after such determination. Indemnitee shall cooperate with the person, persons or entity making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company, to the extent permitted by applicable law.

   c. In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(b), the Independent Counsel shall be selected as provided in this Section 10(c). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Company's board of directors, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Company's board of directors, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 10(a) hereof and (ii) the final disposition of the Proceeding, the parties have not agreed upon an Independent Counsel, either the Company or Indemnitee may petition the Delaware Court of Chancery for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 10(b) hereof. Upon the due commencement of any judicial proceeding pursuant to Section 12(a) of this Agreement, the Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

d. The Company agrees to pay the reasonable fees and expenses of any Independent Counsel.

11. Presumptions and Effects of Certain Proceedings.

a. In making a determination with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption by clear and convincing evidence.

b. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

c. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith to the extent Indemnitee relied in good faith on (i) the records or books of account of the Enterprise, including financial statements, (ii) information supplied to Indemnitee by the officers or employees of the Enterprise in the course of their duties, (iii) the advice of legal counsel for the Enterprise or its board of directors or counsel selected by any committee of the board of directors or (iv) information or records given or reports made to the Enterprise by an independent certified public accountant, an appraiser, investment banker or other expert selected with reasonable care by the Enterprise or its board of directors or any committee of the board of directors. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met any applicable standard of conduct.

d. Neither the knowledge, actions nor failure to act of any other director, officer, agent or employee of the Enterprise shall be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

12. Remedies of Indemnitee.

a. Subject to Section 12(e), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 or 12(d) of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10 of this Agreement within 90 days after the later of the receipt by the Company of the request for indemnification or the final disposition of the Proceeding, (iv) payment of indemnification pursuant to this Agreement is not made (A) within thirty days after a determination has been made that Indemnitee is entitled to indemnification or (B) with respect to indemnification pursuant to Sections 4, 5 and 12(d) of this Agreement, within thirty days after receipt by the Company of a written request therefor, or (v) the Company or any other person or entity takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, Indemnitee may seek an adjudication by the Delaware Court of Chancery of his or her entitlement to such indemnification or advancement of Expenses. Indemnitee shall commence such proceeding seeking an adjudication within 180 days after the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a).

b. Neither (i) the failure of the Company, its board of directors, any committee or subgroup of the board of directors, Independent Counsel or stockholders to have made a determination that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor (ii) an actual determination by the Company, its board of directors, any committee or subgroup of the board of directors, Independent Counsel or stockholders that Indemnitee has not met the applicable standard of conduct, shall create a presumption that Indemnitee has or has not met the applicable standard of conduct. In the event that a determination shall have been made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding commenced pursuant to this Section 12, the Company shall, to the fullest extent not prohibited by law, have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be, by clear and convincing evidence.

c. To the fullest extent not prohibited by law, the Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. If a determination shall have been made pursuant to Section 10 of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statements not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

d. To the extent not prohibited by law, the Company shall indemnify Indemnitee against all Expenses that are incurred by Indemnitee in connection with any action for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company to the extent Indemnitee is successful in such action, and, if requested by Indemnitee, shall (as soon as reasonably practicable, but in any event no later than 90 days, after receipt by the Company of a written request therefor) advance such Expenses to Indemnitee, subject to the provisions of Section 8.

e. Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification shall be required to be made prior to the final disposition of the Proceeding.

13. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amounts incurred by Indemnitee, whether for Expenses, judgments, fines or amounts paid or to be paid in settlement, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the events and transactions giving rise to such Proceeding; and (ii) the relative fault of Indemnitee and the Company (and its other directors, officers, employees and agents) in connection with such events and transactions.

14. Non-exclusivity. The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation or Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Certificate of Incorporation and Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change, subject to the restrictions expressly set forth herein or therein. Except as expressly set forth herein, no right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. Except as expressly set forth herein, the assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

15. Primary Responsibility. The Company acknowledges that Indemnitee may have certain rights to indemnification and/or advancement of expenses provided by other sources (collectively, the "Secondary Indemnitors"). The Company agrees that Indemnitee is not obligated to enforce its rights against such Secondary Indemnitors prior to obtaining indemnification or advancement of expenses under this Agreement.

16. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received payment for such amounts under any insurance policy, contract, agreement or otherwise.

17. Subrogation. In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

18. Duration. This Agreement shall continue in effect until the later of (a) ten years after the date that Indemnitee shall have ceased to serve as a director or an officer of the Company or as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of any other Enterprise, as applicable, (b) for as long as Indemnitee may be subject to any Proceeding, even after Indemnitee has ceased to serve as a director or officer of the Company or as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of any other Enterprise, as applicable.

19. Successors. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and Indemnitee and Indemnitee's estate, heirs, legal representatives and assigns.

20. Severability. Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to court order or other applicable law, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (ii) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

21. Enforcement. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve or continue to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director or officer of the Company.

22. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, Bylaws and applicable law.

23. Modification and Waiver. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by the parties hereto. No amendment, alteration or repeal of this Agreement shall adversely affect any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. No waiver of any of the provisions of this Agreement shall constitute or be deemed a waiver of any other provision of this Agreement nor shall any waiver constitute a continuing waiver.

24. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by electronic mail or otherwise delivered by hand, messenger or courier service addressed:

    a. if to Indemnitee, to Indemnitee's address, or electronic mail address as shown on the signature page of this Agreement or in the Company's records, as may be updated in accordance with the provisions hereof; or

    b. if to the Company, to the attention of Chandler D. Robinson, Chief Executive Officer at Monopar Therapeutics Inc., 1000 Skokie Blvd., Suite 350, Wilmette, IL 60091.

    Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent *via* a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent *via* mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent *via* electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

25. Governing Law and Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction. Each party hereto (a) hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the State of Delaware for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its subsidiaries or agents to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (c) hereby agrees neither to commence or maintain any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement, or relating to the subject matter hereof or thereof, other than before one of the above-named courts, nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of the above-named courts, whether on the grounds of inconvenient forum or otherwise. Each party hereto consents to service of process in any such proceeding in any manner permitted by Delaware law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 13(c) hereof is reasonably calculated to give actual notice.

26. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THIS SECTION 26 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 26 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile or portable document format (.pdf) and in counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

28. Descriptive Headings. The descriptive headings of this Agreement are for convenience of reference only, are not to be considered a part hereof and shall not be construed to define or limit any of the terms or provisions hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first written above.

Monopar Therapeutics Inc.

By: _____
Name:
Title:

Indemnitee

By: _____
[Insert Indemnitee Name]

[Signature Page to Indemnification Agreement]

Exhibit 31.1

CERTIFICATION

I, Chandler D. Robinson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Monopar 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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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(s) 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: November 12, 2020

/s/ Chandler D. Robinson
Chandler D. Robinson
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Kim R. Tsuchimoto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Monopar 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(s) 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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(s) 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: November 12, 2020

/s/ Kim R. Tsuchimoto
Kim R. Tsuchimoto
Chief Financial 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 on Form 10-Q of Monopar Therapeutics Inc. (the Company) for the three and nine months ended September 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the Report), we, Chandler D. Robinson, and Kim R. Tsuchimoto, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(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.

/s/ Chandler D. Robinson
Chandler D. Robinson
Chief Executive Officer

November 12, 2020

/s/ Kim R. Tsuchimoto
Kim R. Tsuchimoto
Chief Financial Officer

November 12, 2020

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Monopar Therapeutics Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.