



June 29, 2017

Dear Shareholders,

As you may be aware, Navidea has undertaken a significant refocusing over the past year. With the sale of the North American rights to Lymphoseek® to Cardinal Health, Navidea is now focused on clinical stage development of diagnostic agents for rheumatoid arthritis (RA), cardiovascular diseases (CV), Kaposi's Sarcoma (KS), and non-alcoholic steatohepatitis (NASH). I am pleased to report that the hard work of Navidea's staff is being recognized, with Navidea having been chosen by the National Institute of Arthritis and Musculoskeletal and Skin Diseases (NIAMS), a component of the National Institute of Health (NIH) to present our RA program, from a pool of over one thousand applicants. Results like these show me that the state of our company is strong, and the potential for growth is great.

First quarter financial data represents the transition quarter for the Cardinal transaction and the shift in strategic direction for Navidea. We ended the quarter in the strongest financial position for Navidea since I first got involved as an investor in late 2007. We ended the quarter with \$13.4m cash on hand. Further financial information can be found in our latest filing, available online.

Navidea has been active in engaging partners for worldwide distribution of Lymphoseek®. Norgine B.V., a commercial partner of Navidea, recently launched sales of Lymphoseek® in Europe, and Navidea recently signed an exclusive license and distribution agreement for Tc 99m tilmanocept in India with Sayre Therapeutics. Discussions in several other regions remain ongoing.

For the rest of the year investors can look forward to Navidea executing on the following corporate goals:

- A) Imaging
 - 1) Complete IV dosing RA Study
 - 2) Initiate IV dosing CV study
 - 3) Initiate IV dosing NASH study
- B) Therapeutics
 - 1) Complete development plan for treating active M1 mediated inflammation
 - 2) Complete development plan for orphan disease indication
 - 3) Complete animal testing by 2 (or more) pharmaceutical entities for possible partnering
 - 4) New backbone efforts including lower molecular weights and new backbone polymers

As a result of the deal with Cardinal Health, all liens on Navidea's assets have been released, and the company is guaranteed \$17.1 million over the next three years. Navidea could potentially see \$227m through 2026 if certain sales milestones are met. Overall, I am confident that Navidea is on firm financial ground, and can focus on what truly matters: developing diagnostic agents to help find and treat diseases.

Thank you,

Michael Goldberg, M.D.
President and Chief Executive Officer
Navidea Biopharmaceuticals
