



FREQUENTLY ASKED QUESTIONS

FROM STOCKHOLDERS REGARDING REVERSE STOCK SPLIT

Question 1. What is a reverse stock split?

Answer. A reverse stock split is a re-capitalization that merely reduces the total number of shares of common stock outstanding by the exchange ratio established for the reverse stock split, including shares underlying outstanding stock options and warrants. Upon a reverse stock split, a stockholder has fewer, but higher priced, shares. Upon completion of a reverse stock split, as a result of the reduction in the number of shares of common stock outstanding, the price per common share increases because there are fewer shares outstanding that represent the market capitalization. A reverse stock split does not change the rights of the stockholders nor will it affect any stockholder's ownership percentage of EntreMed's shares, except to the limited extent that the reverse stock split would result in any stockholder owning a fractional share.

Question 2. Why is EntreMed engaging in a reverse stock split?

Answer. Completing a reverse stock split will result in a stock price that is over the \$1.00 closing bid minimum required to maintain our NASDAQ listing. At EntreMed's Annual Meeting of Stockholders held on June 3, 2010, the stockholders voted to approve a proposal authorizing the Board of Directors, at its discretion, to implement a reverse split of the Company's common stock without further action from stockholders, and as authorized, and after considering all options, the Board of Directors has elected to affect a reverse split. Both the Management Team and the Board of Directors believe that maintaining a NASDAQ listing is in the best interest of our shareholders. A NASDAQ listing will allow the Company to have easier access to capital that will be very important as we progress with the ENMD-2076 program. In addition, the NASDAQ listing maintains our flexibility if corporate opportunities arise that help us financially and strategically support the development of ENMD-2076 and that the Board views as beneficial to shareholders.

Question 3. How did the Board determine the reverse split ratio of 1- for-11?

Answer. At EntreMed's Annual Meeting of Stockholder's held on June 3, 2010, stockholders voted to authorize the Board of Directors, at its discretion, to fix a ratio in the range of 1-for-2 and 1-for-20. As authorized by our stockholders, and after in-depth consideration with management and outside advisors, the Board of Directors fixed the ratio at 1-to-11. The split

ratio was designed to maximize the likelihood that the stock will remain above the NASDAQ minimum for the required period of time while achieving what we feel is a realistic stock price to represent our current status of development.

Question 4. When will the reverse stock split be effective?

Answer. The reverse split will be effective at the open of trading on the Nasdaq Capital Market on July 1, 2010.

Question 5. What will be the effect of the reverse stock split on the stock price?

Answer. Short-term stock price changes can be difficult to predict and the history of similar reverse stock splits for companies in comparable circumstances is varied. Therefore, we do not want to speculate. There are several things to consider following completion of the reverse split. First, the therapeutic potential of ENMD-2076 will be unchanged and we believe that shareholder value will ultimately be driven by the progress of ENMD-2076. Second, you will own the same percentage of EntreMed as you did before the reverse stock split became effective. Third, this action will better position the Company for opportunities to raise capital and provide the Company with greater flexibility to engage in potential corporate and strategic transactions that could benefit shareholders.

Question 6. What are the some of the alternatives to a reverse stock split?

Answer. Alternatives include transferring the Company's listing to one of the Over the Counter Bulletin Board options, along with the restrictions and limitations that would be placed on the Company, or attempting to list on another exchange, which would require implementing a reverse split in order to meet their listing requirements. After considering these and other alternatives for the Company, the Board of Directors and the Management Team determined that the advantages of continued listing on the NASDAQ Capital Market outweighed those of the other alternatives and is in the best interest of our shareholders.

Question 7. How does the reverse stock split affect trading of EntreMed's shares?

Answer. There is no impact on the actual trading of EntreMed shares. They will continue to trade on the NASDAQ Capital Market without interruption. We expect that NASDAQ will append a "D" to our ticker symbol to indicate the completion of the reverse split. After a 20 trading-day period following the reverse split, the ticker symbol will revert to "ENMD". In addition, shares of EntreMed common stock will also trade under a new CUSIP number effective July 1, 2010. EntreMed's new CUSIP number is 29382F 202.

Question 8. Will EntreMed continue to satisfy the NASDAQ \$1.00 minimum bid price rule following the implementation of the reverse stock split?

Answer. The price for a Company's common shares is dependent on a number of market factors, most of which are not within our control. We are intent on building value for our shareholders through fundamentals, and we are doing that by devoting our resources to the Phase 2 clinical development of our core program, ENMD-2076. Our Board and Management are encouraged by the results of ENMD-2076 thus far and we will continue to execute our

clinical development strategy. Maintaining our listing on NASDAQ affords us greater corporate opportunities to financially and strategically support the continued development of ENMD-2076.

Question 9. What is the impact of the reverse stock split on the number of outstanding common stock shares?

Answer. The immediate effect of the reverse stock split will be to reduce the number of outstanding shares based on the reverse split ratio. As a result of the reverse split, the number of shares of outstanding common stock will be approximately 9.5 million, excluding stock options and unexercised warrants and subject to adjustment for fractional shares.

Question 10. What is the impact of the reverse stock split on stock options and warrants?

Answer. An adjustment will be made to the Company's stock options and warrants based on the split ratio. Warrant holders do not need to submit their warrants for exchange. The adjustment will be made automatically. The number of shares of common stock issued subject to stock options, warrants, or convertible securities will automatically be proportionately decreased by the split ratio and the exercise price or conversion ratio will automatically be proportionately increased by the same split ratio. For illustrative purposes, an option to purchase 300,000 shares at an exercise price of \$0.40 per share outstanding before the reverse stock split will become, after a reverse split of 11, an option to purchase 27,273 shares at an exercise price of \$4.40. Options previously granted to management and employees will be adjusted in the same manner as described above.

Question 11. What is the impact of the reverse stock split on the number of authorized shares of common stock?

Answer. The number of authorized shares of common stock will remain the same. Having additional authorized shares gives the Company a valuable tool to raise money to finance the Company's growth. We are pursuing and funding our ENMD-2076 Phase 2 ovarian cancer clinical trial. We would consider expanding the ENMD-2076 program to additional trials and indications if we conclude that they would benefit the Company and its shareholders. To do so, we would need to raise additional financing. The availability of the authorized shares provides us the flexibility to raise the additional capital if needed.

Question 12. Do I need to surrender my existing stock certificate for a new stock certificate?

Answer. On the effective date of the reverse split, shares of common stock outstanding immediately prior to the reverse split will be converted, automatically and without any action on the part of the stockholders, into new shares of common stock in accordance with the reverse stock split ratio. All pre-split stock certificates will automatically represent the post-split number of shares. Existing stockholders holding EntreMed common stock certificates will receive a Letter of Transmittal from the Company's transfer agent with specific instructions regarding the exchange of the old stock certificates and receipt of any cash payment in lieu of fractional shares. American Stock Transfer & Trust Company, LLC is the Company's transfer agent and will act as the exchange agent for the purpose of implementing the exchange of stock

certificates in connection with the reverse split. Any pre-split shares represented by a certificate submitted for transfer, whether pursuant to an exchange, sale, other disposition or otherwise, will automatically be exchanged for a certificate representing the number of post-split shares. Stockholders of record should not destroy any pre-split stock certificate(s).

For beneficial holders of pre-reverse split shares (i.e., stockholders who hold their shares through a broker or shares held electronically in book-entry form under the direct registration system), your broker will make the appropriate adjustment to the number of shares held in your account as of the effective date. You do not need to take any action to receive your reverse split shares or your cash payment in lieu of any fractional share interest, if applicable. A transaction statement will automatically be sent to your address of record indicating the number of post-split shares you hold.

Question 13. How were fractional shares treated in the reverse stock split?

Answer. No fractional shares were issued. Stockholders who would have otherwise been due a fractional share will receive a cash payment instead based on the closing price of EntreMed's stock on June 30, 2010, the last trading day prior to the effectiveness of the reverse stock split.

Question 14. What were the tax consequences of the reverse stock split to EntreMed's stockholders?

Answer. Generally, the reverse stock split itself did not have any tax consequences, other than for consequences attributable to any cash received in lieu of any fractional shares. The tax treatment of a stockholder may vary depending upon the particular facts and circumstances of such shareholder. Accordingly, each stockholder should consult his or her tax advisor to determine the particular tax consequences to him or her of a reverse stock split, including the application and effect of federal, state, local and/or foreign income tax and other laws.

Question 15. Who should I call if I have questions regarding how the reverse stock split will impact my shares of EntreMed Common Stock?

Answer. If you are a registered EntreMed stockholder (in other words, you hold the stock certificate(s) yourself or have your shares registered in a book entry account with our transfer agent), you should contact EntreMed's transfer agent.

American Stock Transfer & Trust Company, LLC
Telephone: 877-248-6417 (toll free) or 718-921-8317
Website: www.amstock.com

If you are a beneficial stockholder (in other words, if you hold your shares through a broker, bank or other nominee), you should contact your broker, bank or other nominee directly.