
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): September 28, 2011

GALENA BIOPHARMA, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

001-33958

(Commission
File Number)

20-8099512

(I.R.S. Employer
Identification No.)

310 N. State Street, Suite 208
Lake Oswego, Oregon 97034

(Address of Principal Executive
Offices) (Zip Code)

Registrant's telephone number, including area code: (855) 855-4523

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

As previously reported on a Current Report on Form 8-K filed on September 27, 2011, on September 26, 2011, we entered into an amended and restated investor subscription agreement with two institutional investors under which they have agreed to purchase from us a total of 700,000 shares of our common stock at a purchase price of \$0.65 per share, representing an aggregate purchase price of \$455,000. The sale of the shares closed on September 28, 2011. The shares were offered and sold to the investors pursuant to our shelf registration statement on Form S-3 (File No. 333-167025), which was declared effective by the Securities and Exchange Commission on May 28, 2010.

A copy of the opinion of TroyGould PC relating to the issuance of the shares is attached as Exhibit 5.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

We are filing as part of this report the exhibit listed on the accompanying Index to Exhibits, which information is incorporated herein by reference.

SIGNATURES

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

Date: September 28, 2011

GALENA BIOPHARMA, INC.

By: /s/ Mark J. Ahn
Mark J. Ahn
President and Chief Executive Officer

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
5.1	Opinion of TroyGould PC
23.1	Consent of TroyGould PC (included in Exhibit 5.1)

TroyGould PC
1801 Century Park East, 16th Floor
Los Angeles, California 90067

September 28, 2011

Galena Biopharma, Inc.
310 North State Street, Suite 208
Lake Oswego, Oregon 97034

Re: Registration Statement on Form S-3 (Registration No. 333-167025)

Ladies and Gentlemen:

This opinion letter is furnished to you in connection with the above-referenced registration statement (the "Registration Statement"), the base prospectus dated May 21, 2010 (the "Base Prospectus") and the prospectus supplement dated September 28, 2011 (jointly, with the Base Prospectus, the "Prospectus"). The Prospectus relates to the offering by Galena Biopharma, Inc. (the "Company") of 700,000 shares of the Company's common stock, par value \$0.0001 per share. The Shares are covered by the Registration Statement. We understand that the Shares are to be offered and sold in the manner described in the Prospectus and the Amended and Restated Investor Subscription Agreement dated as of September 26, 2011 (the "Subscription Agreement") among the Company and the purchasers of the Shares.

We have acted as counsel for the Company in connection with the offer and sale of the Shares. For purposes of this opinion letter, we have examined and relied upon the Registration Statement, the Prospectus, the Subscription Agreement and such other documents, records, certificates and other instruments as we have deemed necessary or appropriate.

The opinion expressed below is limited to the Delaware General Corporation Law, including the applicable provisions of the Delaware Constitution, and the reported judicial decision interpreting those laws.

Based upon and subject to the foregoing, we are of the opinion that the Shares, when sold and paid for as described in the Prospectus and the Subscription Agreement, will be duly authorized, validly issued, fully paid and non-assessable.

We hereby consent to your filing this opinion as an exhibit to a Current Report on Form 8-K to be incorporated by reference in the Registration Statement and to the use of our name under the caption "Legal Matters" in the Prospectus. Our consent shall not be deemed an admission that we are experts whose consent is required under Section 7 of the Securities Act of

Galena Biopharma, Inc.
September 28, 2011
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1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder.

This opinion may be used only in connection with the offer and sale of the Shares while the Registration Statement remains effective.

Very truly yours,

/s/ TROYGOULD PC

TROYGOULD PC