

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

**FORM 10-Q**

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

For the quarterly period ended March 31, 2025.

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 001-40023

**GT BIOPHARMA, INC.**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

94-1620407  
(I.R.S. Employer Identification Number)

N/A<sup>1</sup>  
(Address of principal executive offices)

415-919-4040  
(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of exchange on which registered
Common Stock, \$0.001 par value per share	GTBP	Nasdaq Capital Market

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 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 Exchange Act). Yes  No

As of May 13, 2025, the registrant had 2,586,397 shares of common stock outstanding.

<sup>1</sup> Effective as of July 1, 2024, the Company became a fully remote company. We do not maintain a principal executive office. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, any stockholder communication required to be sent to the Company's principal executive offices may be directed to 505 Montgomery Street, 10th Floor, San Francisco, California 94111, or by email to [auditcommittee@gtbiopharma.com](mailto:auditcommittee@gtbiopharma.com).

**GT BIOPHARMA, INC.**  
**FORM 10-Q**  
**For the Three Months Ended March 31, 2025**  
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**GT BIOPHARMA, INC.**  
**Condensed Balance Sheets**

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 2,365,000	\$ 3,951,000
Restricted cash	93,000	93,000
Prepaid expenses and other current assets	200,000	188,000
<b>TOTAL ASSETS</b>	<b>\$ 2,658,000</b>	<b>\$ 4,232,000</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts payable	\$ 2,380,000	\$ 3,853,000
Accrued expenses	1,132,000	1,797,000
Warrant liability	126,000	252,000
<b>Total Current Liabilities</b>	<b>3,638,000</b>	<b>5,902,000</b>
Stockholders' Deficit		
Convertible Preferred stock, par value \$0.01, 15,000,000 shares authorized Series C - 96,230 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	1,000	1,000
Common stock, par value \$0.001, 250,000,000 shares authorized, 2,536,397 and 2,234,328 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	3,000	2,000
Additional paid in capital	695,019,000	693,554,000
Accumulated deficit	(696,003,000)	(695,227,000)
<b>Total Stockholders' Deficit</b>	<b>(980,000)</b>	<b>(1,670,000)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 2,658,000</b>	<b>\$ 4,232,000</b>

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

**GT BIOPHARMA, INC.**  
**Condensed Statements of Operations**

	For The Three Months Ended	
	March 31,	
	2025	2024
	(Unaudited)	(Unaudited)
<b>Revenues</b>	\$ —	\$ —
<b>Operating Expenses:</b>		
Research and development	\$ 1,099,000	\$ 777,000
Selling, general and administrative (including \$3,000 and \$102,000 from stock compensation for the three months ended March 31, 2025 and 2024, respectively)	833,000	2,314,000
Loss from Operations	(1,932,000)	(3,091,000)
<b>Other Income (Expense)</b>		
Interest income	32,000	142,000
Change in fair value of warrant liability	126,000	658,000
Gain on settlement of vendor payable	998,000	—
Other	—	27,000
Unrealized gain on short-term investments	—	(2,000)
<b>Total Other Income, Net</b>	1,156,000	825,000
<b>Net Loss</b>	\$ (776,000)	\$ (2,266,000)
<b>Net Loss Per Share - Basic and Diluted</b>	\$ (0.33)	\$ (1.64)
<b>Weighted average common shares outstanding - basic and diluted</b>	2,345,087	1,380,633

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

**GT BIOPHARMA, INC.**  
**CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)**  
**For The Three Months Ended March 31, 2025 and 2024 (Unaudited):**

	Preferred Shares		Common Shares		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance, December 31, 2024	96,230	\$ 1,000	2,234,328	\$ 2,000	\$ 693,554,000	\$ (695,227,000)	\$ (1,670,000)
Exercise of warrants for cash and inducement warrants, net	-	-	302,069	1,000	615,000	-	616,000
Issuance of prefunded warrant to settle vendor payable	-	-	-	-	847,000	-	847,000
Fair value of vested stock options	-	-	-	-	3,000	-	3,000
Net loss	-	-	-	-	-	(776,000)	(776,000)
Balance, March 31, 2025	<u>96,230</u>	<u>\$ 1,000</u>	<u>2,536,397</u>	<u>\$ 3,000</u>	<u>\$ 695,019,000</u>	<u>\$ (696,003,000)</u>	<u>\$ (980,000)</u>

	Preferred Shares		Common Shares		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance, December 31, 2023	96,230	\$ 1,000	1,380,633	\$ 1,000	\$ 689,539,000	\$ (682,065,000)	\$ 7,476,000
Fair value of vested stock options	-	-	-	-	102,000	-	102,000
Net loss	-	-	-	-	-	(2,266,000)	(2,266,000)
Balance, March 31, 2024	<u>96,230</u>	<u>\$ 1,000</u>	<u>1,380,633</u>	<u>\$ 1,000</u>	<u>\$ 689,641,000</u>	<u>\$ (684,331,000)</u>	<u>\$ 5,312,000</u>

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

**GT BIOPHARMA, INC.**  
**Condensed Statements of Cash Flows**

	<b>For The Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (776,000)	\$ (2,266,000)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock based compensation	3,000	102,000
Change in fair value of warrant liability	(126,000)	(658,000)
Unrealized gain on short-term investments	—	2,000
Changes in operating assets and liabilities:		
(Increase) Decrease in prepaid expenses	(12,000)	6,000
Increase (Decrease) in accounts payable and accrued expenses	(1,291,000)	(1,347,000)
Decrease in operating lease right-of-use assets	—	(2,000)
Net Cash Used in Operating Activities	(2,202,000)	(4,163,000)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of investments	—	5,034,000
Net Cash Provided by Investing Activities	—	5,034,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Exercise of warrants and issuance of inducement warrants for cash, net	616,000	—
Net Cash Provided by Financing Activities	616,000	—
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash	(1,586,000)	871,000
Cash and Cash Equivalents and Restricted Cash at Beginning of Period	4,044,000	1,079,000
Cash and Cash Equivalents and Restricted Cash at End of Period	\$ 2,458,000	\$ 1,950,000
<b><u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</u></b>		
Cash paid during the period for:		
Interest	\$ —	\$ —
Income taxes	\$ —	\$ —
<b><u>SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES</u></b>		
Fair value of prefunded warrant to settle vendor payable	\$ 847,000	\$ —

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

**GT BIOPHARMA, INC.**  
**NOTES TO UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**Three Months Ended March 31, 2025 and 2024 (Unaudited)**

**Note 1 – Organization and Going Concern Analysis**

**Organization**

GT Biopharma, Inc. (the “Company”) is a clinical stage biopharmaceutical company focused on the development and commercialization of novel immune-oncology products based on our proprietary Tri-specific Killer Engager (TriKE®), and Tetra-specific Killer Engager (Dual Targeting TriKE®) platforms. The Company’s TriKE® and Dual Targeting TriKE® platforms generate proprietary therapeutics designed to harness and enhance the cancer killing abilities of a patient’s own natural killer cells (NK cells).

The corporate predecessor of GT Biopharma, Inc, Diagnostic Data, Inc., was incorporated in the state of California in 1965. Diagnostic Data, Inc. changed its incorporation to the state of Delaware on December 21, 1972 and changed its name to DDI Pharmaceuticals, Inc. on March 11, 1985. On September 7, 1994, DDI Pharmaceuticals, Inc. merged with International BioClinical, Inc. and Bioxytech S.A. and changed its name to OXIS International, Inc. On July 17, 2017, OXIS International, Inc. changed its name to GT Biopharma, Inc.

Throughout this Quarterly Report on Form 10-Q, the terms “GTBP,” “we,” “us,” “our,” “the Company” and “our Company” refer to GT Biopharma, Inc.

The GT Biopharma logo, TriKE®, and other trademarks or service marks of GT Biopharma, Inc. appearing in this quarterly report are the property of the Company. This quarterly report on Form 10-Q also contains registered marks, trademarks and trade names of other companies. All other trademarks, registered marks and trade names appearing herein are the property of their respective holders.

**Going Concern Analysis**

The accompanying unaudited condensed financial statements have been prepared assuming that the Company will continue as a going concern. The Company does not have any product candidates approved for sale and has not generated any revenue from its product sales. The Company has sustained operating losses since inception, and expects such losses to continue into the foreseeable future. Historically, the Company has financed its operations through public and private sales of common stock, issuance of preferred and common stock, issuance of convertible debt instruments, and strategic collaborations. For the three months ended March 31, 2025, the Company recorded a net loss of approximately \$800,000 and used cash in operations of approximately \$2.2 million, and had a stockholders’ deficit of approximately \$1 million as of that date. These factors raise substantial doubt about the Company’s ability to continue as a going concern within one year of the date that the financial statements are issued. In addition, the Company’s independent registered public accounting firm, in its report on the Company’s December 31, 2024, financial statements, raised substantial doubt about the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The unaudited condensed financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Accordingly, the unaudited condensed financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

The Company has evaluated the significance of the uncertainty regarding the Company’s financial condition in relation to its ability to meet its obligations, which has raised substantial doubt about the Company’s ability to continue as a going concern. While it is very difficult to estimate the Company’s future liquidity requirements, the Company believes if it is unable to obtain additional financing, existing cash resources will not be sufficient to enable it to fund the anticipated level of operations through one year from the date the accompanying unaudited condensed financial statements are issued. There can be no assurances that the Company will be able to secure additional financing on acceptable terms. In the event the Company does not secure additional financing, the Company will be forced to delay, reduce, or eliminate some or all of its discretionary spending, which could adversely affect the Company’s business prospects, ability to meet long-term liquidity needs and the ability to continue operations.

## Note 2 – Summary of Significant Accounting Policies

### Basis of Presentation

The accompanying condensed financial statements are unaudited. These unaudited interim condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these unaudited interim condensed financial statements should be read in conjunction with the financial statements and notes thereto contained in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC on February 21, 2025 (the “2024 Annual Report”). The balance sheet as of December 31, 2024 included herein, was derived from the audited financial statements as of that date.

In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments necessary to fairly present the Company’s financial position and results of operations for the interim periods reflected. Except as noted, all adjustments contained herein are of a normal recurring nature. Results of operations for the fiscal periods presented herein are not necessarily indicative of fiscal year-end results.

### Accounting 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include management’s estimates for continued liquidity, accruals for potential liabilities, assumptions used in deriving the fair value of derivative liabilities, valuation of equity instruments issued for debt and services and realization of deferred tax assets.

### Cash Equivalents

The Company considers highly liquid investments with maturities of three months or less at the date of acquisition as cash equivalents in the accompanying unaudited condensed financial statements. At March 31, 2025 and December 31, 2024, total cash equivalents which consist of money market funds, amounted to approximately \$2.2 million and \$3.8 million, respectively.

### Restricted Cash

As of March 31, 2025, the Company has classified certain cash balances as restricted cash in its unaudited condensed balance sheets. The Company’s restricted cash is deposited in a financial institution and held as a collateral for a credit card agreement with the same financial institution.

### Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820-10 requires entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized on the balance sheet for which it is practicable to estimate fair value. ASC 820-10 defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

The three levels of the fair value hierarchy are as follows:

Level 1 Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 Valuations based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

Level 3 Valuations based on inputs that are unobservable, supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amounts of the Company’s other financial assets and liabilities, such as cash and cash equivalents, prepaid expenses and other current assets, accounts payable, and accrued expenses, approximate their fair values because of the short maturity of these instruments.

The carrying amount of the Company’s warrant liability of \$126,000 and \$252,000 at March 31, 2025 and December 31, 2024, respectively, was based on Level 3 measurements.

### Warrant Liability

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, “*Derivatives and Hedging*” (“ASC 815”). For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations.

The Company's use of derivative financial instruments is generally limited to warrants issued by the Company that do not meet the criteria for equity treatment and are recorded as liabilities. We do not use financial instruments or derivatives for any trading purposes.

### Stock-Based Compensation

The Company periodically issues stock-based compensation to officers, directors, employees, and consultants for services rendered. Such issuances vest and expire according to terms established at the issuance date.

Stock-based payments to officers, directors, employees, and consultants in exchange for goods and services, which include grants of employee stock options, are recognized in the financial statements based on their grant date fair values in accordance with ASC 718, *Compensation-Stock Compensation*. Stock based payments to officers, directors, employees, and consultants, which are generally time vested, are measured at the grant date fair value and depending on the conditions associated with the vesting of the award, compensation cost is recognized on a straight-line or graded basis over the vesting period. Recognition of compensation expense for non-employees is in the same period and manner as if the Company had paid cash for the services. The fair value of stock options granted is estimated using the Black-Scholes option-pricing model, which uses certain assumptions related to risk-free interest rates, expected volatility, expected life, and future dividends. The assumptions used in the Black-Scholes option pricing model could materially affect compensation expense recorded in future periods.

### Research and Development Expenses

Costs incurred for research and development are expensed as incurred. The salaries, benefits, and overhead costs of personnel conducting research and development of the Company's products are included in research and development expenses. Purchased materials that do not have an alternative future use are also expensed.

### Net Loss Per Share

Basic earnings (loss) per share is computed using the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed using the weighted-average number of common shares and the dilutive effect of contingent shares outstanding during the period. Potentially dilutive contingent shares, which primarily consist of stock issuable upon exercise of stock options and warrants have been excluded from the diluted loss per share calculation because their effect is anti-dilutive.

The following common stock equivalents were excluded in the computation of the net loss per share because their effect is anti-dilutive:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Options to purchase common stock	124,600	126,265
Warrants to purchase common stock	1,769,894	304,962
Total anti-dilutive securities	1,894,494	431,227

### Concentration

Cash is deposited in one financial institution. The balances held at this financial institution at times may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits of up to \$250,000. Management believes that the financial institutions that hold the Company's cash are financially sound and, accordingly, minimal credit risk exists.

The Company has a significant concentration of expenses incurred from and accounts payable to Cytovance, a related party, and the University of Minnesota, see Note 3 – Accounts Payable and Related Party.

### Segment Information

The Company's Chief Executive Officer and President ("CEO") is our chief operating decision maker ("CODM") and evaluates performance and makes operating decisions about allocating resources based on financial data presented on a consolidated basis. Because our CODM evaluates financial performance on a consolidated basis, the Company has determined that it operates as a single reportable segment composed of the financial results of GT Biopharma, Inc.

### Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures* (Subtopic 220-40): *Disaggregation of Income Statement Expenses*, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

The Company's management has evaluated all the recently issued, but not yet effective, accounting standards and guidance that have been issued or proposed by the FASB or other standards-setting bodies through the filing date of these financial statements and does not believe the future adoption of any such pronouncements will have a material effect on the Company's financial position and results of operations.

### Note 3 – Accounts Payable and Related Party

Accounts payable consists of the following:

	As of		As of	
	March 31, 2025	%	December 31, 2024	%
Accounts payable to Cytovance, a related party <sup>1</sup>	\$ 600,000	25%	\$ 1,183,000	31%
Accounts payable to University of Minnesota	629,000	26%	712,000	18%
Legal services firm	597,000	25%	1,505,000	39%
Other accounts payable	554,000	24%	453,000	12%
Total accounts payable	<u>\$ 2,380,000</u>	100%	<u>\$ 3,853,000</u>	100%

<sup>1</sup> Accounts Payable to Cytovance Biologics, Inc. ("Cytovance"), a Related Party, since Cytovance owns greater than 5% of the Company's issued and outstanding common stock. See Note 7 – Commitments and Contingencies, Significant Agreements.

The details of the Company's accounts payable to Cytovance were as follows:

	Three Months Ending	
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Beginning balance	\$ 1,183,000	\$ 3,515,000
Invoices, net	532,000	269,000
Payments in cash	(268,000)	(1,800,000)
Payments in pre-funded warrants, at fair value	(847,000)	—
Ending balance	<u>\$ 600,000</u>	<u>\$ 1,984,000</u>

During the three months ended March 31, 2025, the Company issued pre-funded warrants to purchase up to 326,251 shares of common stock exercisable at \$0.0001 per share with a fair value of approximately \$847,000 to Cytovance as partial payment of accounts payable. The pre-funded warrants were valued at the market price on the last day of the month during the respective month that the invoices are due.

In March 2025, a legal services firm currently engaged by the Company agreed to reduce the Company's prior year unpaid fees by approximately \$1 million. The Company classified this transaction as other income during the period ended March 31, 2025.

### University of Minnesota

See Note 7 – Commitments and Contingencies, Significant Agreements.

### Note 4 – Warrant Liability

#### 2023 Warrants

On January 4, 2023, as part of the private placement offering, the Company issued common stock, warrants to purchase up to an aggregate of 216,667 shares of the Company's common stock (the "2023 Common Warrants"), and placement agent warrants to purchase up to 13,000 shares of the Company's common stock (the "2023 Placement Agents Warrants").

The 2023 Common Warrants and the 2023 Placement Agents Warrants (collectively the “2023 Warrants”), provide for a value calculation for the warrants using the Black Scholes model in the event of certain fundamental transactions. The fair value calculation provides for a floor on the volatility amount utilized in the value calculation at 100% or greater. The Company has determined this provision introduces leverage to the holders that could result in a value that would be greater than the settlement amount of a fixed-for-fixed option on the Company’s own equity shares. Therefore, pursuant to ASC 815, the Company has classified the 2023 Warrants as a liability in its balance sheet. The classification of the 2023 Warrants, including whether they should be recorded as liability or as equity, is evaluated at the end of each reporting period.

The 2023 Warrants were initially recorded at a fair value at \$5.8 million at the grant date, and upon the closing of placement, was recorded as a cost of capital. The fair value of the 2023 Warrants classified as a liability in the Company’s unaudited condensed balance sheets and will be re-measured at the end of every reporting period with the change in value reported in the unaudited condensed statements of operations until they are either exercised or expired.

The 2023 Warrant liability is valued using a BlackScholes Option pricing model with the following assumptions:

	<b>2023 Warrants</b>	
	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	
Stock price	\$ 2.15	\$ 3.05
Risk-free interest rate <sup>1</sup>	3.89%	4.27%
Expected volatility <sup>2</sup>	112%	114%
Expected life (in years) <sup>3</sup>	2.75 – 3.25	3.00 – 3.50
Expected dividend yield <sup>4</sup>	—	—
Fair value of warrants	\$ 126,000	\$ 252,000

<sup>1</sup> Based on rates established by the Federal Reserve Bank

<sup>2</sup> Historical volatility of the Company’s common stock is used to estimate the future volatility of its common stock

<sup>3</sup> Determined by the remaining contractual life of the derivative instrument

<sup>4</sup> Based on no dividends paid or expected to be paid

The details of warrant liability transactions were as follows:

	<b>Three Months Ending</b>	
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	<b>(Unaudited)</b>	
Beginning balance	\$ 252,000	\$ 1,052,000
Issuance of warrants at fair value	—	—
Change in fair value	(126,000)	(658,000)
Extinguishment	—	—
Ending balance	<u>\$ 126,000</u>	<u>\$ 394,000</u>

#### **Note 5 – Stockholders’ Equity (Deficit)**

The Company’s authorized capital as of March 31, 2025 was 250,000,000 shares of common stock, par value \$0.001 per share, and 15,000,000 shares of preferred stock, par value \$0.01 per share.

#### **Common Stock**

##### **2025 Warrant Inducement Transaction**

On February 26, 2025, the Company received gross proceeds of \$686,000 before deducting placement agent fees and other offering expenses of \$70,000 in relation to a warrant exercise inducement agreement with certain holders of existing warrants. The existing warrants were exercisable into 302,069 shares of the Company’s common stock at \$4.35 per share. The holders agreed to exercise these existing warrants at a reduced exercise price of \$2.27 per share in exchange for the Company’s agreement to issue the holders new warrants (the “Inducement Warrants”) exercisable for an aggregate of up to 604,138 shares of common stock.

The Inducement Warrants consist of i) new Series A Inducement Warrants, representing warrants to purchase up to 302,069 shares of Common Stock at \$2.02 per share exercisable immediately upon issuance with a term of five years from the date of issuance, and ii) new Series B Inducement Warrants, representing warrants to purchase up to 302,069 shares of common stock at \$2.02 per share exercisable immediately upon issuance with a term of eighteen months from the date of issuance. In addition, the Company issued warrants to the placement agent to purchase 21,145 shares of common stock at \$2.8375 per share exercisable immediately upon issuance with a term of five years from the date of issuance.

The Company determined that under ASC 815, the 2025 inducement and placement agent warrants are considered indexed to the Company's own stock and eligible for an exception from derivative accounting. Accordingly, the fair value of the 2025 inducement and placement agent warrants are classified as equity.

The Company recognized the aggregate effect of the modification of warrants and grant of inducement warrants of \$1.1 million as an equity issuance cost and the accounting effect is recognized in the Statement of Stockholders' Equity (Deficit).

## Preferred Stock

### Series C Preferred Stock

As of March 31, 2025, there were 96,230 shares of series C preferred stock, par value \$0.01 per share (the "Series C Preferred Stock") issued and outstanding.

As a result of numerous reverse stock-splits in previous years and the agreement terms for adjusting the rights of the related shares, the 96,230 shares of Series C Preferred Stock are convertible into an infinitesimal amount of common stock, have no voting rights, and in the event of liquidation, the holders of the Series C Preferred Stock would not participate in any distribution of the assets or surplus funds of the Company. The holders of Series C Preferred Stock also are not currently entitled to any dividends if and when declared by the Board. No dividends to holders of the Series C Preferred Stock were declared or unpaid through March 31, 2025.

## Note 6 – Common Stock Warrants and Options

### Common Stock Warrants

Stock warrant transactions for the three months ended March 31, 2025 were as follows:

	Three Months Ended March 31, 2025	
	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding at December 31, 2024	1,120,429	\$ 18.85
Granted	951,534	2.05
Forfeited/cancelled	—	—
Exercised	(302,069)	1.35
Warrants outstanding at March 31, 2025	1,769,894	\$ 11.91
Warrants exercisable at March 31, 2025	1,769,894	\$ 11.91

As of March 31, 2025, all outstanding warrants were fully vested and exercisable and had an aggregate intrinsic value of approximately \$780,000 based on the fair value of the Company's common stock on March 31, 2025.

Warrants outstanding as of March 31, 2025 are exercisable as follows:

Warrants Outstanding and Exercisable as of March 31, 2025				
Range of Exercise Price		Number Outstanding	Weighted Average	
			Remaining Contractual Life (Years)	Exercise Price
\$ 0.0001		326,251	N/A	\$ 0.0001
2.02		604,138	3.2	2.02
2.8375		21,145	4.9	2.8375
4.35		437,931	4.2	4.35
5.4375		88,800	4.2	5.4375
30.00		216,666	3.3	30.00
37.50		13,000	2.8	37.50
102.00		1,867	0.3	102.00
165.00		52,316	0.9	165.00
206.25		7,780	0.9	206.25
		1,769,894	3.5	11.91

## Common Stock Options

In April 2022 the Company established the 2022 Omnibus Incentive Plan (the “Plan”). The Plan was approved by our Board and stockholders. The purpose of the Plan is to grant stock and options to purchase our common stock, and other incentive awards, to our employees, directors, and key consultants. The maximum number of shares of common stock that may be issued pursuant to awards granted under the Plan is 166,667. The shares of our common stock underlying cancelled and forfeited awards issued under the Plan may again become available for grant under the Plan. As of March 31, 2025, there were 124,600 stock options outstanding and 25,935 shares of restricted stock granted in prior years under the Plan, which left 16,132 shares available for grant under the Plan. The following table summarizes stock option transactions for the three months ended March 31, 2025:

	<b>Three Months Ended March 31, 2025</b>	
	<b>Number of Options</b>	<b>Weighted Average Exercise Price</b>
Options outstanding at December 31, 2024	124,600	\$ 32.69
Granted	—	—
Forfeited/cancelled	—	—
Exercised	—	—
Options outstanding at March 31, 2025	<u>124,600</u>	<u>\$ 32.69</u>
Options exercisable at March 31, 2025	<u>107,746</u>	<u>\$ 37.47</u>

The weighted average remaining contractual life of all options outstanding, and all options vested and exercisable as of March 31, 2025 was 8.0 years. Furthermore, the aggregate intrinsic value of all options outstanding and all options vested and exercisable as of March 31, 2025 was approximately \$1,000 and \$0, respectively, in each case based on the fair value of the Company’s common stock on March 31, 2025.

The total fair value of options that vested during the three months ended March 31, 2025 and 2024, was \$3,000 and \$102,000, respectively, and is included in selling, general and administrative expense in the accompanying unaudited condensed statements of operations. As of March 31, 2025, 107,746 stock options were vested and exercisable and unvested compensation expense amounted to approximately \$29,000.

Options outstanding as of March 31, 2025 are exercisable as follows:

<b>Range of Exercise Price</b>	<b>Stock Options Exercisable as of March 31, 2025</b>		
	<b>Number Outstanding</b>	<b>Weighted Average Remaining Contractual Life (Years)</b>	<b>Weighted Average Exercise Price</b>
\$ 2.11	6,482	9.6	\$ 2.11
10.50	16,666	8.0	10.50
25.50	50,000	7.8	25.50
74.40	34,598	7.3	74.40
	<u>107,746</u>		

## Note 7 – Commitments and Contingencies

### Litigation

The Company is involved in certain legal proceedings that arise from time to time in the ordinary course of our business. Except for income tax contingencies, we record accruals for contingencies to the extent that our management concludes that the occurrence is probable and that the related amounts of loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. There is no current or pending litigation of any significance with the exception of the matters identified below that have arisen under, and are being handled in, the normal course of business:

## **Ohri Matter**

On July 22, 2024, the Company filed an AAA Arbitration Demand against Manu Ohri, its former Chief Financial Officer. In the Demand, the Company asserts claims against Mr. Ohri for breach of his fiduciary duties and breach of contract and seeks a declaratory judgment providing that the Company may characterize Mr. Ohri's termination as "for cause" under his Employment Agreement, and that the Company may revoke the Separation Agreement entered into between the Company and Mr. Ohri prior to the Company learning of Mr. Ohri's breaches. In addition to the declaratory judgment, the Company seeks damages arising from Mr. Ohri's violations, and attorneys' fees and any forum and arbitration fees. On September 3, 2024, Mr. Ohri filed both a general denial of the Company's claims against him and counterclaims for breach of his Employment Agreement and Separation Agreement. A final hearing is scheduled for June 10th through June 12<sup>th</sup>, 2025 in Los Angeles, California. At this stage in the proceedings the Company is not able to determine the probability of the outcome of this matter or a range of reasonably expected losses, if any. The Company believes it has recorded an appropriate accrual for the matter.

## **TWF Global Matter**

On May 24, 2023, TWF Global, LLC ("TWF") filed a Complaint in the California Superior Court for the County of Los Angeles naming the Company as defendant. The Complaint alleges that TWF is the holder of two Convertible Promissory Notes ("Notes") and that the Company did not deliver shares of common stock due on conversion in February 2021. TWF was seeking per diem liquidated damages based on the terms of alleged Notes. On July 14, 2023, the Company filed a motion to dismiss for improper forum because the terms of the Notes, as alleged, require disputes to be filed in New York state and federal courts. TWF voluntarily dismissed its Complaint before the California Superior Court of Los Angeles without prejudice. The Company subsequently filed a Summons and Complaint for Interpleader against TWF and Z-One LLC before the Supreme Court of the State of New York County of New York, asking the Supreme Court to determine if the Company's shares of common stock are properly registered to TWF or Z-One LLC, as both of these entities have made conflicting demands for registration of the shares of common stock. On February 5, 2024, the Company filed a motion for entry of default against TWF, seeking an order directing the Company to register the shares of common stock in the name of Z-One and that the Company be released from all associated liability and claims. The Court denied the motion without prejudice and agreed to reconsider the motion without further briefing upon the filing of a supplemental party affidavit. On May 9, 2024, Z-One filed a motion for summary judgement seeking dismissal of the action, representing that Z-One and TWF have settled their dispute over the entitlement to the Company's shares of common stock and there is no remaining dispute before the Court. On May 21, 2024, the Company filed a supplemental affidavit in support of its motion for entry of default. On November 14, 2024, the Court held a hearing on the parties' motions, at which the Court found that the motion for entry of default was mooted by the settlement agreement between Z-One and TWF. The Court ordered that the case be dismissed. On February 17, 2025, Z-One, LLC filed a Summons with Notice in the Supreme Court of the State of New York, County of New York. Z-One alleges that it was assigned TWF's rights under the Notes and seeks enforcement and damages. The Company intends to demand a complaint, and seek dismissal of the case. The Company believes that the claims related to the Notes are without merit, and will continue to vigorously defend against these claims.

## **Significant Agreements**

### **Cytovance Biologics, Inc., a Related Party**

In October 2020, the Company entered into a Master Services Agreement with Cytovance Biologics, Inc. ("Cytovance"), to perform biologic development and manufacturing services, and to produce and test compounds used in the Company's potential product candidates. The Company subsequently executed numerous Statements of Work ("SOWs") for the research and development of products for use in clinical trials.

On August 24, 2022, the Company entered into a Settlement and Investment Agreement with Cytovance that amended existing SOWs and allowed for future invoices to be settled in a combination of cash and issuance of the Company's common stock. The Agreement also set Cytovance's beneficial ownership limitation at 4.9% of the issued and outstanding shares of the Company's common stock.

On April 25, 2024, the Company entered into an Amendment to the Settlement and Investment Agreement with Cytovance that increased Cytovance's beneficial ownership limitation to 9.9% of the issued and outstanding shares of the Company's common stock.

On June 30, 2024, Cytovance became a related party as their beneficial ownership exceeded 5% of the issued and outstanding shares of the Company's common stock.

During the three months ended March 31, 2025 and 2024, the Company recognized research and development expenses of \$532,000 and \$269,000, respectively and made cash payments amounting to \$268,000 and \$1.8 million, respectively to Cytovance. In addition, during the three months ended March 31, 2025, the Company issued pre-funded warrants to purchase up to 326,251 shares of common stock exercisable at \$0.0001 per share to settle accounts payable valued at approximately \$847,000.

As of March 31, 2025 the Company's commitments in relation to unbilled and unaccrued SOWs and any related Change Orders from Cytovance for services that have not yet been rendered as of March 31, 2025, amounted to approximately \$340,000.

## University of Minnesota

### 2023 Sponsored Research Agreement

On May 20, 2024, the Company entered into a sponsored research agreement with the Regents of the University of Minnesota (the “2016 Exclusive Patent License Agreement”), effective July 1, 2023, and expiring on July 1, 2025. Payments totaling approximately \$1.7 million are due over the life of the agreement. The purpose of the agreement is for the Regents of the University of Minnesota to continue work with the Company with three major goals in mind: (1) support the Company’s TriKE<sup>®</sup> product development and commercial GMP manufacturing efforts; (2) TriKE<sup>®</sup> pharmacokinetics optimization in humans and investigation of effects of altering the route of administration; and (3) research and development of TriKE<sup>®</sup> platform. The major deliverables proposed are: (1) creation of IND enabling data for TriKE<sup>®</sup> constructs in support of the Company’s product development and commercial GMP manufacturing efforts outside of the University of Minnesota; (2) TriKE<sup>®</sup> platform drug delivery changes to allow transition from intravenous (IV) continuous infusion to alternative drug delivery administration (IV bolus, intraperitoneal [IP], subcutaneous [SQ]) and extended PK in humans and gain an increased understanding of changes in the patient’s native NK cell population as a result of alteration of TriKE<sup>®</sup> administration; and (3) research and development of TriKE<sup>®</sup> platform combination with other FDA approved (or soon to be approved) therapeutics and alterations to TriKE<sup>®</sup> platform through formation of immune complexes. Most studies will use TriKE<sup>®</sup> DNA/amino acid sequences created by the Company under existing licensing terms.

The Company recorded an expense classified as research and development of approximately \$216,000 and \$0, pursuant to the 2023 Sponsored Research Agreement, for the three months ended March 31, 2025 and 2024, respectively.

As of March 31, 2025 the Company’s commitments in relation to unbilled and unaccrued amounts from the University of Minnesota pursuant to the 2023 Sponsored Research Agreement for services that have not yet been rendered as of March 31, 2025, amounted to approximately \$431,000.

### 2016 Exclusive Patent License Agreement

Effective July 18, 2016, the Company entered into an exclusive patent license agreement with the Regents of the University of Minnesota (as amended, the “2016 Exclusive Patent License Agreement”), to further develop and commercialize cancer therapies using TriKE<sup>®</sup> technology developed by researchers at the University of Minnesota to target NK cells to cancer. Under the terms of the agreement, the Company receives exclusive rights to conduct research and to develop, make, use, sell, and import TriKE<sup>®</sup> technology worldwide for the treatment of any disease, state, or condition in humans. The Company is responsible for obtaining all permits, licenses, authorizations, registrations, and regulatory approvals required or granted by any governmental authority anywhere in the world that is responsible for the regulation of products such as the TriKE<sup>®</sup> technology, including without limitation the FDA and the European Agency for the Evaluation of Medicinal Products in the European Union. The agreement requires an upfront payment of \$200,000, and license maintenance fees of \$200,000 for years 2017 through 2020, and \$100,000 per year beginning in year 2021 and each year thereafter. The agreement also includes 4% royalty fees on the net sales of licensed products, not to exceed 6% under subsequent license agreements or amendments to this agreement, and minimum royalty payments due upon the commencement of commercial sales of licensed product is \$250,000 beginning in 2022, \$2 million beginning in 2025, and \$5 million beginning in 2027 throughout the remainder of the term. The agreement also includes numerous performance milestone payments including clinical development milestone payments totaling \$3.1 million, and one-time sales milestone payments of \$1 million upon reaching \$250 million in cumulative gross sales, and \$5 million upon reaching \$500 million in cumulative gross sales of licensed products.

Effective May 13, 2024, the Company entered into an amended and restated exclusive patent license agreement with the Regents of the University of Minnesota. The amendment requires an upfront payment of \$145,000 and amends the license maintenance fees to \$50,000 in 2025, and \$100,000 per year beginning in year 2026 and each year thereafter. The amendment also includes 1% to 5% royalty fees on the net sales of licensed products, not to exceed 6% under subsequent license agreements or amendments, and minimum royalty payments due upon the commencement of commercial sales of licensed product is \$250,000 in year one, \$2 million in years two through five, and \$5 million in year six throughout the remainder of the term. The amendment also includes numerous performance milestone payments including clinical development milestone payments totaling \$3.1 million, and one-time sales milestone, and one-time sales milestone payments of \$1 million upon reaching \$250 million in cumulative gross sales, and \$5 million upon reaching \$500 million in cumulative gross sales of licensed products.

The Company did not record any expense classified as research and development, pursuant to the 2016 Exclusive Patent License Agreement, for the three months ended March 31, 2025 and 2024, respectively

#### **2021 Exclusive License Agreement**

Effective March 26, 2021, the Company entered into an exclusive license agreement with the Regents of the University of Minnesota (the “2021 Exclusive Patent License Agreement”), specific to the B7H3 targeted TriKE<sup>®</sup>. The agreement requires an upfront payment of \$20,000, and license maintenance fees of \$5,000 per year beginning in year 2022 and each year thereafter. The agreement also includes 2.5% to 5% royalty fees on the net sales of licensed products, and minimum royalty payments due upon the commencement of commercial sales of licensed product is \$250,000 in year one through four, and \$2 million beginning in year five and throughout the remainder of the term. The agreement also includes numerous performance milestone payments including clinical development milestone payments totaling \$3.1 million, and one-time sales milestone payments of \$1 million upon reaching \$250 million in cumulative gross sales, and \$5 million upon reaching \$500 million in cumulative gross sales of licensed products. There is no double payment intended; if one of the milestone payments has been paid under the 2016 restated exclusive patent license agreement no further payment is due for the corresponding milestone.

The Company did not record any expense classified as research and development, pursuant to the 2021 Exclusive License Agreement, for the three months ended March 31, 2025 and 2024, respectively.

#### **2024 GTB-3650 Clinical Trial Agreement**

On November 18, 2024, the Registrant entered into an Investigator Initiated Clinical Trial Agreement (the “Agreement”) with the Regents of the University of Minnesota (the “University”), pursuant to which, the University shall sponsor an Investigational New Drug (“IND”) application for IND 165546 GTB-3650 (the “Research Program”) and shall serve as a sponsor investigator for a phase 1 clinical trial entitled, “GTB-3650 (CD16/IL-15/CD33) Tri-Specific Killer Engager (TriKE) for the Treatment of High Risk Myelodysplastic Syndromes (MDS), Refractory/Relapsed Acute Myeloid Leukemia (AML), and Minimal Residual Disease in AML,” designed by the University (the “Study”). The Research Program is being conducted for clinical research use. The budget for the Study, including without limitations, funding and resources, provides for up to approximately \$2 million over the course of three years borne by the Company. The Study data will be owned by the University, however, the Company may use the Study data subject to any applicable signed informed consent documents and authorization forms, applicable law and terms of the Agreement. The University and the Company will each have the right to publish the Study results. The Agreement may be terminated by the Company or the University at any time upon thirty days’ written notice to the other party, by the University immediately for health, welfare and safety reasons, or by either party if the other party materially breaches the Agreement, provided that the breaching party fails to cure such breach within thirty days.

The Company did not record any expense classified as research and development, pursuant to the 2024 Clinical Trial Agreement, for the three months ended March 31, 2025 and 2024, respectively.

As of March 31, 2025 the Company’s commitments in relation to unbilled and unaccrued amounts from the University of Minnesota pursuant to the 2024 Clinical Trial Agreement for services that have not yet been rendered as of March 31, 2025, amounted to approximately \$1.9 million.

#### **Contingency – NASDAQ Matters**

On November 21, 2024, we received a letter (the “Notification Letter”) from the Nasdaq Listing Qualifications Staff (the “Staff”) notifying us that the amount of our stockholders’ equity had fallen below the \$2,500,000 required minimum for continued listing set forth in Nasdaq Listing Rule 5550(b)(1) (the “Minimum Stockholders’ Equity Requirement”). Nasdaq’s determination was based upon our stockholders’ equity as reported in our Quarterly Report on Form 10-Q for the period ended September 30, 2024. The Notification Letter also noted that we did not meet the alternatives of market value of listed securities or net income from continuing operations, and therefore, we no longer complied with Nasdaq’s Listing Rules.

The Notification Letter indicated that we had 45 days (i.e., until January 6, 2025) to submit a plan to regain compliance with the Minimum Stockholders’ Equity Requirement, noting that if such plan is accepted, the Staff can grant us an extension of up to 180 days from the date of the Notification Letter to evidence compliance. In determining whether to accept our plan, the Staff will consider such things as the likelihood that the plan will result in compliance with Nasdaq’s continued listing criteria, our past compliance history, the reasons for our current non-compliance, other corporate events that may occur within the review period, our overall financial condition and our public disclosures.

We submitted a plan of compliance to the Staff on December 31, 2024, outlining our plan to conduct periodic public and private securities offerings to regain compliance. The Staff has not, as yet, accepted our plan of compliance, and has requested additional information regarding our financing plans. We can provide no assurance that the Staff will accept our plan of compliance.

If the Staff does not accept our plan of compliance, or if the Staff accepts our plan but we do not regain compliance within the allotted compliance period, Nasdaq will provide notice that our Common Stock will be subject to delisting. If our Common Stock is delisted from Nasdaq, our ability to raise capital through public offerings of our securities and to finance our operations could be adversely affected. We also believe that delisting would likely result in decreased liquidity and/or increased volatility in our Common Stock and could harm our business and future prospects. In addition, we believe that, if our Common Stock is delisted, our stockholders would likely find it more difficult to obtain accurate quotations as to the price of our Common Stock and it may be more difficult for stockholders to buy or sell our Common Stock at competitive market prices, or at all.

As a result of the private placement of preferred stock and common stock warrants that occurred on May 12, 2025, the Company believes it has stockholders’ equity on an unaudited proforma basis of at least \$2.5 million as of the date of the filing of this Form 10-Q. Nasdaq will continue to monitor the Company to ensure its ongoing compliance with the Minimum Stockholders’ Equity Requirement, so if at the time of the filing of the Company’s next periodic financial statements the Company does not evidence compliance with the Minimum Stockholders’ Equity Requirement, the Company may be subject to delisting.

#### **Note 8 – Segment Information**

The Company operates and manages its business as one reportable and operating as a clinical stage biopharmaceutical company focused on the development and commercialization of novel immune-oncology products based on our proprietary Tri-specific Killer Engager (TriKE<sup>®</sup>), and Tetra-specific Killer Engager (Dual Targeting TriKE<sup>®</sup>) platforms. The measure of segment assets is reported on the balance sheet as total assets.

The Company’s CODM reviews financial information presented and decides how to allocate resources based on net income (loss). Net income (loss) is used for evaluating financial performance.

Significant segment expenses include research and development, salaries, insurance, and stock-based compensation. Operating expenses include all remaining costs necessary to operate our business, which primarily include external professional services and other administrative expenses. The following table presents the significant segment expenses

and other segment items regularly reviewed by our CODM:

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Research and development	\$ 1,099,000	\$ 777,000
Salaries	281,000	478,000
Insurance	61,000	76,000
Stock-based compensation	3,000	102,000
Operating expenses	488,000	1,658,000
Other income	(1,156,000)	(825,000)
Net loss	\$ 776,000	\$ 2,266,000

## Note 9 – Subsequent Events

### Private Placement of Preferred Stock and Warrants

On May 12, 2025, the Company entered into a Securities Purchase Agreement (the “Securities Purchase Agreement”) with the purchasers identified therein (collectively, the “Purchasers”) providing for the issuance and sale to the Purchasers of (i) up to 6,056 shares of the Company’s Series L 10% Convertible Preferred Stock (the “Preferred Stock”), (ii) warrants to purchase up to a number of shares of common stock of the Company (the “Common Stock”) equal to 100% of the shares of the Company’s Common Stock issuable upon conversion of the shares of Preferred Stock (the “Common Warrants”), and (iii) warrants to purchase up to a number of shares of Company’s Common Stock equal to the number of Greenshoe Conversion Shares (as defined in the Securities Purchase Agreement) issuable upon exercise of the Greenshoe Right (as defined below) (the “Vesting Warrants” and together with the Common Warrants, the “Warrants”), with an aggregate stated value of \$6,055,555.56, for an aggregate purchase price of \$5,450,000.00 (the “Offering”).

Pursuant to the Securities Purchase Agreement, each Purchaser may elect to purchase shares of Preferred Stock with an aggregate stated value of up to \$22,000,000 (the “Greenshoe Rights”) for an aggregate purchase price of \$19,800,000, subject to adjustments, as further described in the Securities Purchase Agreement. Each Purchaser is entitled to exercise its respective Greenshoe Rights for an amount of Preferred Stock equal to the ratio of such Purchaser’s original subscription amount to the original aggregate subscription amount of all Purchasers.

On May 12, 2025, the Company filed a Certificate of Designation of Preferences, Rights and Limitations of Series L 10% Convertible Preferred Stock (the “Certificate of Designation”) with the Secretary of State of the State of Delaware. The Certificate of Designation creates and specifies the rights of Series L 10% Convertible Preferred Stock, including the terms and conditions on which shares of such preferred stock would convert into shares of our Common Stock, as well as its liquidation preference.

Pursuant to the Certificate of Designation and subject to certain ownership limitations, the Preferred Stock may be converted at any time at the option of the Purchasers into shares of the Company’s Common Stock at an initial conversion price of \$2.043, subject to certain conditions, as further described in the Certificate of Designation. In addition, the holders of the Preferred Stock are entitled to receive cumulative dividends at the rate per share (as a percentage of the stated value per share) of 10% per annum until May 11, 2026, increasing to 12% per annum thereafter, payable quarterly on January 1, April 1, July 1 and October 1, beginning on the first date after the date of issuance of the Preferred Stock and on each Conversion Date (as defined in the Certificate of Designation), in cash, shares of the Company’s Common Stock (subject to the Company’s satisfaction of the conditions set forth in the Certificate of Designation), or a combination thereof. Upon the occurrence of certain triggering events, each holder has the right to require the Company to redeem the Preferred Shares at a premium, in accordance with and subject to certain conditions as further described in the Certificate of Designation.

Pursuant to the Securities Purchase Agreement, each Purchaser will be issued (i) a Common Warrant, each to purchase up to a number of shares of the Company’s Common Stock equal to 100% of the Conversion Shares underlying the Preferred Shares issued to such Purchaser and (ii) a Vesting Warrant (the exercisability of which shall vest ratably from time to time in proportion to the Purchaser’s (or its permitted assigns’) exercise of such Purchaser’s Greenshoe Rights pursuant to Section 2.4 of the Purchase Agreement), each to purchase up to a number of shares of the Company’s Common Stock equal to the number of Greenshoe Conversion Shares (as defined in the Securities Purchase Agreement) applicable to such Purchaser, in accordance with the Securities Purchase Agreement. The Common Warrants have an initial exercise price of \$2.043 per share, are exercisable, subject to certain ownership limitations, immediately upon issuance and have a term of exercise equal to five years. The Vesting Warrants have an initial exercise price of \$2.043 per share, are exercisable subject to certain vesting and ownership limitations, and have a term of exercise equal to five years from the date that the applicable warrant shares vest.

The Preferred Shares and Warrants both have full ratchet price protection and are subject to other adjustments, as further described in the Certificate of Designation or the Warrants, as applicable, subject, solely with respect to adjustments in connection with the exercise of Greenshoe Rights, a floor price of \$0.454 per share (subject to adjustment for reverse and forward splits, recapitalizations and similar transactions).

The Company and the Purchasers entered into a registration rights agreement pursuant to which the Company agreed to file a registration statement with the Securities and Exchange Commission covering the public resale of the Common Stock issuable upon conversion of the Preferred Stock and upon exercise of the Warrants. The Company has agreed to file a registration statement within 30 days after the initial closing and after each closing of the exercise of a Greenshoe Right in accordance with the Securities Purchase Agreement, to become effective no later than 90 days after filing. If these deadlines are not met, the Company will be liable for liquidated damages of 1.5% of the subscription amount paid by each Purchaser pursuant to the Securities Purchase Agreement. Further, if the Company fails to pay such liquidated damages within 7 days from the date payable, the Company will pay interest thereon at the prime rate plus 12% to each holder of the registerable securities.

Pursuant to the Securities Purchase Agreement, the Company agreed to hold a meeting of its stockholders at the earliest practical date after the execution of the Securities Purchase Agreement for the purpose of obtaining stockholder approval for the issuance, in the aggregate, of more than 19.99% of the number of shares of the Company’s Common Stock outstanding on the date of the initial closing (“Shareholder Approval”). In connection with the required Shareholder Approval, all of the Company’s officers and directors (each a “Voting Agreement Party”) entered into a Voting Agreement pursuant to which each Voting Agreement Party agreed to vote all shares of voting stock over which the Voting Agreement Party has voting control in favor of any resolution presented to the stockholders of the Company seeking Shareholder Approval.

As a result of the private placement of preferred stock and common stock warrants that occurred on May 12, 2025, the Company believes it has stockholders’ equity on an unaudited proforma basis of at least \$2.5 million as of the date of the filing of this Form 10-Q. Nasdaq will continue to monitor the Company to ensure its ongoing compliance with the Minimum Stockholders’ Equity Requirement, so if at the time of the filing of the Company’s next periodic financial statements the Company does not evidence compliance with the Minimum Stockholders’ Equity Requirement, the Company may be subject to delisting.

### Private Placement

On May 14, 2025, the Company entered into a common shares purchase agreement (the “Purchase Agreement”) with investors (collectively, the “Investors”) relating to a committed equity facility (the “Facility”). Pursuant to the Purchase Agreement, the Company has the right from time to time at its option to sell to the Investors up to \$20 million of its common stock subject to certain conditions and limitations set forth in the Purchase Agreement.

Sales of the shares of common stock to the Investors under the Purchase Agreement, and the timing of any sales, will be determined by the Company from time to time in its sole discretion and will depend on a variety of factors, including, among other things, market conditions, the trading price of the common stock and determinations by the Company regarding the use of proceeds of such shares of common stock. The net proceeds from any sales under the Purchase Agreement will depend on the frequency with, and prices at, which the shares of common stock are sold to The Investors.

The purchase price of the shares of common stock that the Company elects to sell to the Investors pursuant to the Purchase Agreement will be 93% of the volume weighted average price of the shares of common stock during the applicable purchase date on which the Company has timely delivered written notice to the Investors directing it to purchase shares of common stock under the Purchase Agreement.

In connection with the execution of the Purchase Agreement, the Company agreed to issue to the Investors a pre-funded warrant to purchase 300,000 shares of common stock as consideration for its irrevocable commitment to purchase the shares of common stock upon the terms and subject to the satisfaction of the conditions set forth in the Purchase

Agreement.

**Settlement of Vendor Payable in Stock**

Subsequent to March 31, 2025, the Company issued 50,000 shares of common stock and warrants to purchase 50,000 shares of common stock as settlement of a vendor payable amounting to approximately \$200,000.

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

### **CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS**

Some of the statements in this Quarterly Report on Form 10-Q are "forward-looking statements" within the meaning of the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding our current beliefs, goals and expectations about matters such as our expected financial position and operating results, our business strategy and our financing plans. The forward-looking statements in this report are not based on historical facts, but rather reflect the current expectations of our management concerning future results and events. The forward-looking statements generally can be identified by the use of terms such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "guidance," "estimate," "potential," "outlook," "target," "forecast," "likely" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals are, or may be, forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements. We cannot guarantee that our forward-looking statements will turn out to be correct or that our beliefs and goals will not change. Our actual results could be very different from and worse than our expectations for various reasons. You should carefully review all information, including the discussion of risk factors under "Part I. Item 1A: Risk Factors" and "Part II. Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Form 10-K for the year ended December 31, 2024. Any forward-looking statements in the Form 10-Q are made only as of the date hereof and, except as may be required by law, we do not have any obligation to publicly update any forward-looking statements contained in this Form 10-Q to reflect subsequent events or circumstances.

### **Organization**

The corporate predecessor of GT Biopharma, Inc, Diagnostic Data, Inc., was incorporated in the state of California in 1965. Diagnostic Data, Inc. changed its incorporation to the state of Delaware on December 21, 1972 and changed its name to DDI Pharmaceuticals, Inc. on March 11, 1985. On September 7, 1994, DDI Pharmaceuticals, Inc. merged with International BioClinical, Inc. and Bioxytech S.A. and changed its name to OXIS International, Inc. On July 17, 2017, OXIS International, Inc. changed its name to GT Biopharma, Inc.

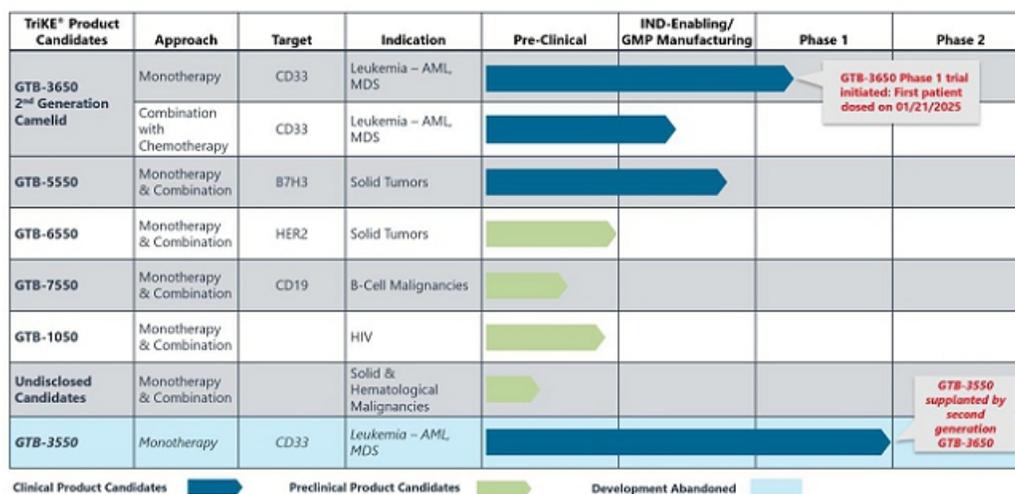
### **Overview**

We are a clinical stage biopharmaceutical company focused on the development and commercialization of novel immuno-oncology products based on our proprietary Tri-specific Killer Engager (TriKE®), and Tetra-specific Killer Engager (Dual Targeting TriKE®) fusion protein immune cell engager technology platforms. Our TriKE® and Dual Targeting TriKE® platforms generate proprietary therapeutics designed to harness and enhance the cancer killing abilities of a patient's own natural killer cells, or NK cells. Once bound to an NK cell, our moieties are designed to activate the NK cell to direct it to one or more specifically targeted proteins expressed on a specific type of cancer cell or virus infected cell, resulting in the targeted cell's death. TriKE®s can be designed to target any number of tumor antigens, including B7-H3, HER2, CD33 and PDL1, on hematologic malignancies or solid tumors and do not require patient-specific customization. We believe our TriKE® and Dual Targeting TriKE® platforms that activate endogenous NK cells are potentially safer than T-cell immunotherapy because there is less cytokine release syndrome (CRS) and fewer neurological complications. Our preclinical data suggests that this is explained by the TriKE® dependent CD16 directed IL-15 proliferation of NK cells but little effect endogenous T cells.

We are using our TriKE® platform with the intent to bring to market immuno-oncology products that can treat a range of hematologic malignancies, solid tumors, and potentially autoimmune disorders. The platform is scalable, and we are implementing processes to produce investigational new drug (IND) ready moieties in a timely manner after a specific TriKE® conceptual design. Specific drug candidates can then be advanced into the clinic on our own or through potential collaborations with partnering companies. We believe our TriKE®s may have the ability, if approved for marketing, to be used as both monotherapy and in combination with other standard-of-care therapies.

Our initial work was conducted in collaboration with the Masonic Cancer Center at the University of Minnesota under a program led by Dr. Jeffrey Miller, Professor of Medicine, and the Interim Director at the Center. Dr. Miller, who also serves as our Consulting Senior Medical Director, is a recognized key opinion leader in the field of NK cell and IL-15 biology and their therapeutic potential. We have exclusive rights to the TriKE® platform and are generating additional intellectual property for specific moieties.

Our current product candidate pipeline is summarized in the table below:

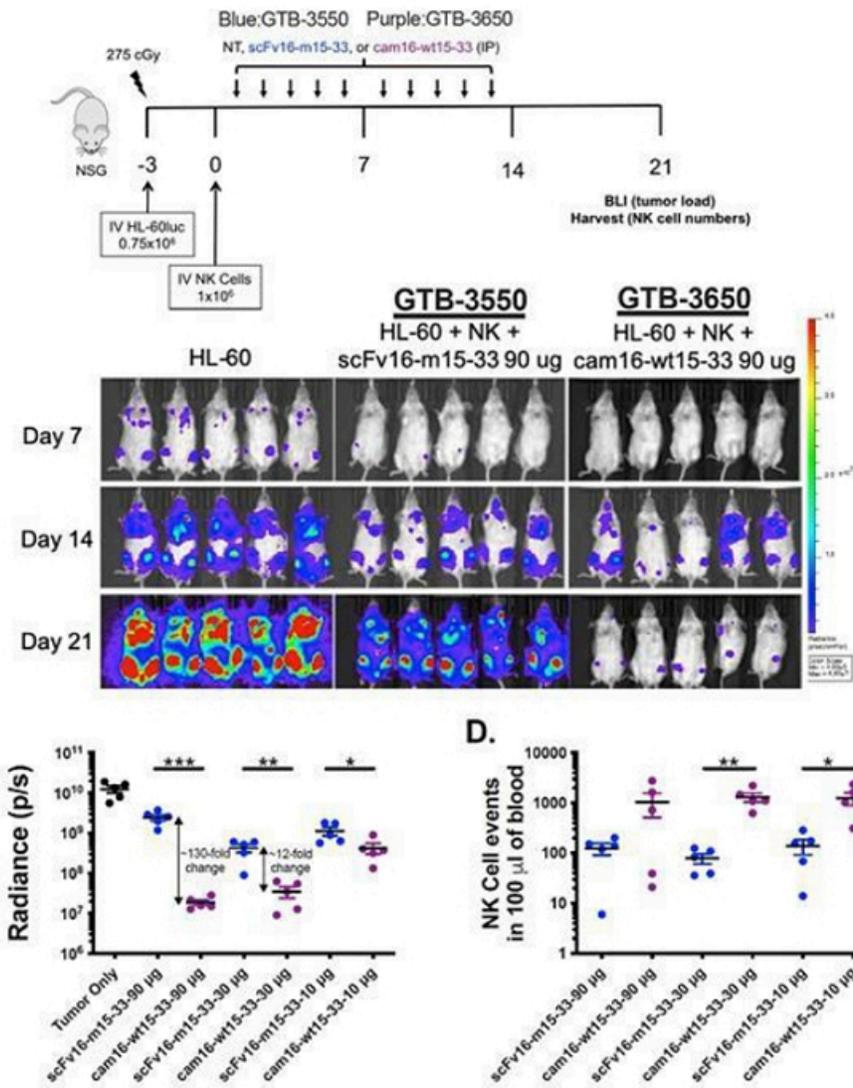


### GTB-3550

GTB-3550 was our first TriKE® product candidate and its clinical development was suspended so that we could focus resources on second-generation TriKEs®. GTB-3550 is a tri-specific killer engager (TriKE) comprised of two single-chain variable fragments (“scFv”) composed of the variable regions of the heavy and light chains of anti-CD16 and anti-CD33 antibodies and a modified form of IL-15. We studied this anti-CD16-IL-15-anti-CD33 TriKE® in CD33 positive leukemias, a marker expressed on tumor cells in acute myelogenous leukemia, or AML, and myelodysplastic syndrome, or MDS. The anti-CD33 antibody fragment in GTB-3550 was derived from the M195 humanized anti-CD33 scFv. We believe the approval of the antibody-drug conjugate gemtuzumab validates the targeting of CD33.

We previously announced the interim clinical trial results for GTB-3550, which showed significantly reduced CD 33+ bone marrow blast levels by 33.3%, 61.7%, 63.6%, 50% in Patient 5 (25 µg/kg/day), Patient 7 (50 µg/kg/day), Patient 9 (100 µg/kg/day), and Patient 11 (150 µg/kg/day), respectively. After the end of infusion, GTB-3550 and IL-15 concentrations declined rapidly with overall geometric mean terminal phase elimination half-life (T1/2) of 2.2 and 2.52 hours, respectively. There was minimal CRS resulting from hyperactivation of patient’s T-cell population at doses 5–150 µg/kg/day.

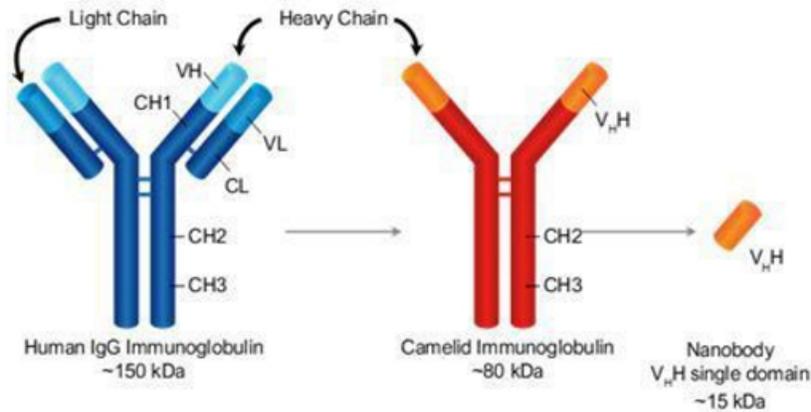
Despite the positive interim clinical trial results, GTB-3550 was replaced by a more potent next-generation camelid nanobody TriKE®, GTB-3650, that similarly targets CD33 on relapsed/refractory AML and high-risk MDS. A key difference between GTB-3550 and GTB-3650 is the incorporation of camelid antibody technology instead of a scFv; our preclinical experience showed markedly enhanced potency of TriKEs® comprised of camelid components. This is illustrated below by better tumor control of AML bearing animals with GTB-3650 (purple dots) compared to GTB-3550 (blue dots). This provided the rationale for pausing further development of GTB-3550 and moving over to solely develop the second-generation, camelid-based TriKE® platform.



### Second Generation TriKE<sup>®</sup>s Utilize Camelid Nanobody Technology

Our goal is to be a leader in immuno-oncology therapies targeting a broad range of indications including hematological malignancies and solid tumors. A key element of our strategy includes introducing a next-generation camelid nanobody platform. Camelid antibodies (often referred as nanobodies) are smaller than human immunoglobulin, consisting of two heavy chains instead of two heavy and two light chains. These nanobodies have the potential to have greater affinity to target antigens, potentially resulting in greater potency. We are utilizing this camelid antibody structure for all of our new TriKE<sup>®</sup> product candidates.

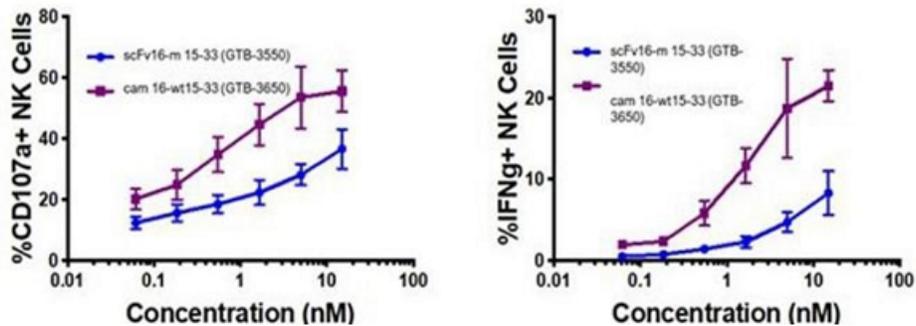
To develop second generation TriKE®s, we designed a new humanized CD16 engager derived from a single-domain antibody. While scFvs consist of a heavy and a light variable chain joined by a linker, single-domain antibodies consist of a single variable heavy chain capable of engaging without the need of a light chain counterpart (see figure below).



These single-domain antibodies are thought to have certain attractive features for antibody engineering, including physical stability, ability to bind deep grooves, and increased production yields, amongst others. Pre-clinical studies demonstrated increased NK cell activation against CD33+ targets including enhanced NK cell degranulation (% CD107a+) and IFN $\gamma$  with the single-domain CD16 TriKE® (cam 16-wt15-33; GTB-3650) compared to the original TriKE® (scFv16-m 15-33; GTB-3550) (see figure below). This data was published by Dr. Felices M et al (2020) in Cancer Immunol Res.

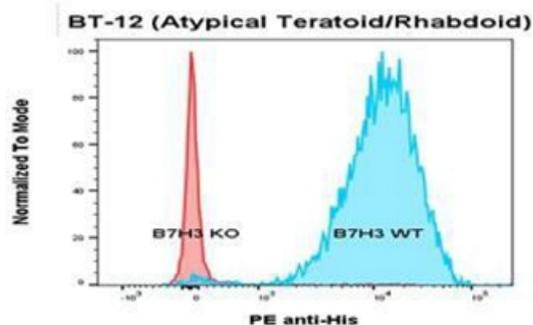
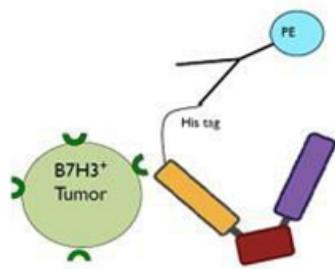
### CD33+ HL60 Targets in Killing Assays

The purple line represents the GTB-3650 and the blue line represents GTB-3550.



### GTB-3650

GTB-3650 is a TriKE® which targets CD33 on the surface of myeloid leukemias and an agonistic camelid engager to the potent activating receptor on NK cells, CD16. Use of this engager enhances the activity of wild type IL-15 included in GTB-3650. The TriKE® approach provides a novel way to specifically target these tumors by leveraging NK cells, which have been shown to mediate relapse protection in this setting, in an anti-CD33-targeted fashion. We are advancing GTB-3650 to clinical studies based on pre-clinical data showing a marked increase in potency compared to GTB-3550, which we anticipate could lead to an enhanced efficacy signal in AML and MDS. We advanced GTB-3650 through requisite preclinical studies and filed an Investigational New Drug (IND) application with the U.S. Food and Drug Administration (FDA) in December 2023. In late June 2024, the FDA cleared our IND Application for GTB-3650. We started study enrollment targeting patients with relapsed/refractory AML and high grade MDS on January 21, 2025. This initial study is testing GTB-3650 as monotherapy testing administration 2 weeks on and two weeks off (to prevent NK cell exhaustion) for at least 2 cycles of therapy, as agreed on with the FDA.



### GTB-5550

GTB-5550 is a B7-H3 targeted TriKE® which targets B7-H3 on the surface of advanced solid tumors (figure above). GTB-5550 is our first dual camelid TriKE®. B7-H3 is expressed on a broad spectrum of solid tumor malignancies, allowing our team to target these malignancies through GTB-5550. Pre-clinical work has shown that this molecule has NK-cell targeted activity against a variety of solid tumors, including head and neck cancer squamous cell carcinoma (figure below), prostate cancer, breast cancer, ovarian cancer, glioblastoma, and lung cancer (amongst others). We are advancing GTB-5550 through preclinical studies and initiated a GMP manufacturing campaign in anticipation of filing an IND. A pre-IND packet was submitted to the FDA in October 2023 with a written response from the FDA in December 2023. The main question from the FDA was regarding pre-clinical toxicology and a pivot to subcutaneous dosing. The initial trial is designed as a basket trial for patients with B7-H3+ solid tumors using Monday through Friday dosing (2 weeks on and 2 weeks off to prevent immune exhaustion), and is dependent on manufacturing of clinical materials.



### GTB-7550

GTB-7550 TriKE® is a product candidate in development for the treatment of lupus and other autoimmune disorders. GTB-7550 TriKE® is a tri-specific molecule composed of a camelid nanobody that binds the CD16 receptor on NK cells, a scFv engager against CD19 on malignant and normal B cells, and a human IL-15 sequence between them.

Published data shows that GTB-7550 effectively targets CD19+ malignant cell lines and primary chronic lymphocytic leukemia (CLL). Preliminary data shows that GTB-7550 can target and eliminate normal B cells, which we are continuing to test in mice. We are currently exploring and assessing potential manufacturers of GTB-7550.

### Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States, or GAAP, requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. When making these estimates and assumptions, we consider our historical experience, our knowledge of economic and market factors and various other factors that we believe to be reasonable under the circumstances. Actual results may differ under different estimates and assumptions. The accounting estimates and assumptions discussed in this section are those that we consider to be the most critical to gain an understanding of our financial statements because they inherently involve significant judgments and uncertainties.

## 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accruals for potential liabilities, assumptions used in deriving the fair value of warrant liabilities, valuation of equity instruments issued for services, and valuation of deferred tax assets. Actual results could differ from those estimates.

## Warrant Liability

We evaluate our financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, "Derivatives and Hedging". For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations.

Our use of derivative financial instruments is generally limited to warrants issued by us that do not meet the criteria for equity treatment and are recorded as liabilities. We do not use financial instruments or derivatives for any trading purposes.

## Stock-Based Compensation

We periodically issue stock-based compensation to officers, directors, employees, and consultants for services rendered. Such issuances vest and expire according to terms established at the issuance date.

Stock-based payments made to officers, directors, employees, and consultants in exchange for goods and services, including grants of employee stock options, are recognized in the financial statements based on their grant date fair values in accordance with ASC 718, *Compensation-Stock Compensation*. Stock based payments to officers, directors, employees, and consultants, which are generally time vested, are measured at the grant date fair value and depending on the conditions associated with the vesting of the award, compensation cost is recognized on a straight-line or graded basis over the vesting period. Recognition of compensation expense for non-employees is in the same period and manner as if we had paid cash for the services. The fair value of stock options granted is estimated using the Black-Scholes option-pricing model, which uses certain assumptions related to risk-free interest rates, expected volatility, expected life, and future dividends. The assumptions used in the Black-Scholes option pricing model could materially affect compensation expense recorded in future periods.

## Results of Operations

### Comparison of the Three Months Ended March 31, 2025 and 2024

#### Operating Expenses

	Three Months Ended March 31,			
	2025	2024	\$ Change	% Change
<b>Operating Expenses:</b>				
Research and development	\$ 1,099,000	\$ 777,000	\$ 322,000	41%
Selling, general and administrative	830,000	2,212,000	(1,382,000)	(62)%
Stock compensation	3,000	102,000	(99,000)	(97)%
<b>Total Operating Expenses</b>	<b>\$ 1,932,000</b>	<b>\$ 3,091,000</b>	<b>\$ (1,159,000)</b>	<b>(37)%</b>

#### Research and Development Expenses

Research and development expenses increased by approximately \$322,000 for the three months ended March 31, 2025 compared to the same prior year period, primarily due to an increase in scientific research costs.

Research and development expenses relate to our continued licensing, development and production of our most advanced TriKE® product candidates GTB-3650 and GTB-5550 along with the progression on other promising candidates. In late June 2024, we received clearance from the FDA with respect to our IND Application in relation to our next generation GTB-3650 camelid nanobody product. Study enrollment began in early 2025 and we are advancing into the clinic, enrolling patients, and performing tests for data collection throughout the year. We have paused the final phase of product development of GTB-5550 to reduce costs.

#### Selling, General, and Administrative Expenses

Selling, general, and administrative expenses decreased by approximately \$1.4 million for the three months ended March 31, 2025, compared to the same prior year period. The decrease was primarily due to cost reduction measures including a reduction in legal fees, consulting fees, and salaries.

## Other Income (Expense)

	Three Months Ended March 31,			
	2025	2024	\$ Change	% Change
<b>Other Income (Expense):</b>				
Interest income	\$ 32,000	\$ 142,000	\$ (110,000)	(77)%
Change in fair value of warrant liability	126,000	658,000	(532,000)	(81)%
Unrealized gain (loss) on marketable securities	—	(2,000)	2,000	100%
Gain on settlement of vendor payable	998,000	—	998,000	—%
Other	—	27,000	(27,000)	(100)%
<b>Total Other Income (Expense)</b>	<b>\$ 1,156,000</b>	<b>\$ 825,000</b>	<b>\$ 331,000</b>	<b>40%</b>

### Interest Income

Interest income decreased by \$110,000 for the three months ended March 31, 2025 compared to the same prior year period, due to lower money market fund and short term investment balances.

### Change in Fair Value of Warrant Liability

The change in fair value of warrant liability decreased by approximately \$532,000, for the three months ended March 31, 2025 compared to the same prior year period, resulting from a reduction in our warrant liability primarily due to the decline in the Company's stock price at March 31, 2025 as compared to the prior comparable periods.

### Gain on Settlement of Vendor Payable

In March 2025, a legal services firm currently engaged by the Company agreed to reduce the Company's prior year unpaid fees by approximately \$1 million. The Company classified this transaction as other income during the period ended March 31, 2025.

## Net Loss

	Three Months Ended March 31,			
	2025	2024	\$ Change	% Change
<b>Net Loss</b>	<b>\$ (776,000)</b>	<b>\$ (2,266,000)</b>	<b>\$ 1,490,000</b>	<b>66%</b>

Net loss decreased by \$1,490,000 for the three months ended March 31, 2025 compared to the same prior year period, primarily due to a decrease in legal fees, consulting fees, and salaries, and the reduction of prior year unpaid legal fees, as described above.

## Liquidity and Going Concern Analysis

The accompanying unaudited condensed financial statements have been prepared assuming that we will continue as a going concern. We do not have any product candidates approved for sale and have not generated any revenue from our product sales. We have sustained operating losses since inception, and we expect such losses to continue into the foreseeable future. Historically, we have financed our operations through public and private sales of common stock, issuance of preferred and common stock, issuance of convertible debt instruments, and strategic collaborations. For the three months ended March 31, 2025, we recorded a net loss of approximately \$800,000 and used cash in operations of approximately \$2.2 million, and had a stockholders' deficit of approximately \$1 million as of that date. These factors raise substantial doubt about our ability to continue as a going concern within one year of the date that the financial statements are issued. In addition, the Company's independent registered public accounting firm, in its report on the Company's December 31, 2024, financial statements, raised substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The unaudited condensed financial statements do not include any adjustments that might be necessary if we are unable to continue as a going concern. Accordingly, the unaudited condensed financial statements have been prepared on a basis that assumes we will continue as a going concern, and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

We have evaluated the significance of the uncertainty regarding our financial condition in relation to our ability to meet our obligations, which has raised substantial doubt about our ability to continue as a going concern. While it is very difficult to estimate our future liquidity requirements we believe if we are unable to obtain additional financing, existing cash resources will not be sufficient to enable us to fund the anticipated level of operations through one year from the date the accompanying unaudited condensed financial statements are issued. There can be no assurances that we will be able to secure additional financing on acceptable terms. In the event that we do not secure additional financing, we will be forced to delay, reduce, or eliminate some or all of our discretionary spending, which could adversely affect our business prospects, ability to meet long-term liquidity needs and the ability to continue operations.

## Cash Flows

	Three Months Ended March 31,	
	2025	2024
<b>Statements of Cash Flow Data:</b>		
Net cash used in operating activities	\$ (2,202,000)	\$ (4,163,000)
Net cash provided by investing activities	—	5,034,000
Net cash provided by financing activities	616,000	—
Net increase (decrease) in cash and cash equivalents and restricted cash	(1,586,000)	871,000
Cash and cash equivalents and restricted cash, beginning of period	4,044,000	1,079,000
Cash and cash equivalents and restricted cash, end of period	\$ 2,458,000	\$ 1,950,000

### Operating Activities

Net cash used in operating activities was approximately \$2.2 million for the three months ended March 31, 2025, and was primarily due to a decrease in accounts payable and accrued expenses of approximately \$1.3 million, and a net loss of \$776,000.

Net cash used in operating activities was \$4.2 million for the three months ended March 31, 2024, and was primarily due to a net loss of \$2.3 million, a decrease in accounts payable and accrued expenses of \$1.3 million, and a decrease in the fair value of warrant liability of \$658,000.

### Investing Activities

Net cash provided by financing activities was approximately \$5.0 million for the three months ended March 31, 2024, resulted from proceeds of the sale of short-term investments.

### Financing Activities

Net cash provided by financing activities was \$616,000 for the three months ended March 31, 2025, resulted from the exercise of warrants for cash and inducement warrants.

### Working Capital (Deficit)

The following table summarizes total current assets, liabilities, and working capital (deficit) for the periods ended March 31, 2025 and December 31, 2024:

	As of		
	March 31, 2025	December 31, 2024	Increase/(Decrease)
Current assets	\$ 2,658,000	\$ 4,232,000	\$ (1,574,000)
Current liabilities	\$ 3,638,000	\$ 5,902,000	\$ (2,264,000)
Working capital (deficit)	\$ (980,000)	\$ (1,670,000)	\$ 690,000

### Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements as of March 31, 2025.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our Company qualifies as a smaller reporting company, as defined in 17 C.F.R. §229.10(f)(1) and is not required to provide information for this Item.

## **Item 4. Controls and Procedures**

### **Evaluation of Disclosure Controls and Procedures**

Our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer evaluated the effectiveness of our “disclosure controls and procedures” (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the United States Securities Exchange Act of 1934, as amended), as of March 31, 2025. Based on that evaluation, we have concluded that our disclosure controls and procedures were effective as of March 31, 2025.

### **Management’s Report on Internal Control Over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, a company’s principal executive and principal accounting officers and effected by a company’s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

### **Inherent Limitations on the Effectiveness of Controls**

Management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in a cost-effective control system, no evaluation of internal control over financial reporting can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been or will be detected.

These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

### **Changes in Internal Control Over Financial Reporting**

No changes in our internal controls over financial reporting were made during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II. OTHER INFORMATION**

### **Item 1. Legal Proceedings**

#### **Ohri Matter**

On July 22, 2024, the Company filed an AAA Arbitration Demand against Manu Ohri, its former Chief Financial Officer. In the Demand, the Company asserts claims against Mr. Ohri for breach of his fiduciary duties and breach of contract and seeks a declaratory judgment providing that the Company may characterize Mr. Ohri's termination as "for cause" under his Employment Agreement, and that the Company may revoke the Separation Agreement entered into between the Company and Mr. Ohri prior to the Company learning of Mr. Ohri's breaches. In addition to the declaratory judgment, the Company seeks damages arising from Mr. Ohri's violations, and attorneys' fees and any forum and arbitration fees. On September 3, 2024, Mr. Ohri filed both a general denial of the Company's claims against him and counterclaims for breach of his Employment Agreement and Separation Agreement. A final hearing is scheduled for June 10th through June 12<sup>th</sup>, 2025 in Los Angeles, California. At this stage in the proceedings the Company is not able to determine the probability of the outcome of this matter or a range of reasonably expected losses, if any. The Company believes it has recorded an appropriate accrual for the matter.

#### **TWF Global Matter**

On May 24, 2023, TWF Global, LLC ("TWF") filed a Complaint in the California Superior Court for the County of Los Angeles naming the Company as defendant. The Complaint alleges that TWF is the holder of two Convertible Promissory Notes ("Notes") and that the Company did not deliver shares of common stock due on conversion in February 2021. TWF was seeking per diem liquidated damages based on the terms of alleged Notes. On July 14, 2023, the Company filed a motion to dismiss for improper forum because the terms of the Notes, as alleged, require disputes to be filed in New York state and federal courts. TWF voluntarily dismissed its Complaint before the California Superior Court of Los Angeles without prejudice. The Company subsequently filed a Summons and Complaint for Interpleader against TWF and Z-One LLC before the Supreme Court of the State of New York County of New York, asking the Supreme Court to determine if the Company's shares of common stock are properly registered to TWF or Z-One LLC, as both of these entities have made conflicting demands for registration of the shares of common stock. On February 5, 2024, the Company filed a motion for entry of default against TWF, seeking an order directing the Company to register the shares of common stock in the name of Z-One and that the Company be released from all associated liability and claims. The Court denied the motion without prejudice and agreed to reconsider the motion without further briefing upon the filing of a supplemental party affidavit. On May 9, 2024, Z-One filed a motion for summary judgement seeking dismissal of the action, representing that Z-One and TWF have settled their dispute over the entitlement to the Company's shares of common stock and there is no remaining dispute before the Court. On May 21, 2024, the Company filed a supplemental affidavit in support of its motion for entry of default. On November 14, 2024, the Court held a hearing on the parties' motions, at which the Court found that the motion for entry of default was mooted by the settlement agreement between Z-One and TWF. The Court ordered that the case be dismissed. On February 17, 2025, Z-One, LLC filed a Summons with Notice in the Supreme Court of the State of New York, County of New York. Z-One alleges that it was assigned TWF's rights under the Notes and seeks enforcement and damages. The Company intends to demand a complaint, and seek dismissal of the case. The Company believes that the claims related to the Notes are without merit, and will continue to vigorously defend against these claims.

### **Item 5. Other Information**

#### **Rule 10b5-1 Trading Plans**

During the three months ended March 31, 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) adopted, amended, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

**Item 6. Exhibits**

<b>Exhibit</b>	<b>Description</b>	<b>Filed Herewith</b>	<b>Form</b>	<b>Number</b>	<b>SEC File No.</b>	<b>Filing Date</b>
3.1	<a href="#">Restated Certificate of Incorporation as filed in Delaware September 10, 1996 and as thereafter amended through March 1, 2002</a>		10-KSB	3.A	000-08092	4/1/2002
3.2	<a href="#">Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., dated February 9, 2011</a>		10-K	3.2	000-08092	3/31/2011
3.3	<a href="#">Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of July 19, 2017</a>		8-K/A	3.1	000-08092	3/15/2018
3.4	<a href="#">Certificate of Amendment to the Restated Certificate of Incorporation of GT Biopharma, Inc., effective as of February 10, 2021</a>		8-K	3.1	001-40023	2/11/2021
3.5	<a href="#">Certificate of Amendment to Restated Certificate of Incorporation of the Registrant effective June 13, 2022</a>		10-K	3.5	001-40023	3/30/2023
3.6	<a href="#">Certificate of Amendment to Restated Certificate of Incorporation of the Registrant effective February 1, 2024</a>		8-K	3.1	001-40023	2/1/2024
3.7	<a href="#">Amended and Restated Bylaws of GT Biopharma, Inc. effective November 3, 2022</a>		8-K	3.1	001-40023	11/9/2022
4.1	<a href="#">Certificate of Designation of Preferences, Rights and Limitations of Series J-1 Preferred Stock of GT Biopharma, Inc., dated April 3, 2019</a>		8-K	3.1	000-08092	4/4/2019
4.2	<a href="#">Certificate of Designation of Preferences, Rights and Limitations of Series K Preferred Stock of GT Biopharma, Inc. dated April 3, 2019</a>		10-K	4.2	001-40023	4/16/2021
4.3	<a href="#">Form of Series A Inducement Warrant</a>		8-K	4.1	001-40023	2/26/2025
4.4	<a href="#">Form of Series B Inducement Warrant</a>		8-K	4.2	001-40023	2/26/2025
4.5	<a href="#">Form of Prefunded Common Stock Purchase Warrant</a>		8-K	4.1	001-40023	4/4/2025
4.6	<a href="#">Form of Prefunded Common Stock Purchase Warrant</a>	*				
10.1	<a href="#">Form of Inducement Letter</a>		8-K	10.1	001-40023	2/26/2025
10.2	<a href="#">Common Shares Purchase Agreement</a>	*				
31.1	<a href="#">Certification of Principal Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.</a>	*				
31.2	<a href="#">Certification of Principal Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended.</a>	*				
32.1	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002*</a>	X				
32.2	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002*</a>	X				
101.INS	Inline XBRL Instance Document.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase	X				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	X				

\* This certification shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that Section, nor shall it be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act.

**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.

**GT BIOPHARMA, INC.**

Dated: May 15, 2025

By: /s/ Michael Breen  
Michael Breen  
Chief Executive Officer and  
Executive Chairman of the Board  
(Principal Executive Officer)

Dated: May 15, 2025

By: /s/ Alan Urban  
Alan Urban  
Chief Financial Officer & Secretary  
(Principal Financial and Accounting Officer)

**PRE-FUNDED WARRANT  
TO PURCHASE SHARES OF COMMON STOCK**

**GT BIOPHARMA, INC.**

Warrant Shares: \_\_\_\_\_

Original Issuance Date: May 15, 2025

THIS PRE-FUNDED WARRANT TO PURCHASE SHARES OF COMMON STOCK (this "Warrant") certifies that, for value received, \_\_\_\_\_ or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "Initial Exercise Date") until this Warrant is exercised in full (the "Termination Date") but not thereafter, to subscribe for and purchase from GT Biopharma, Inc., a Delaware corporation (the "Company"), up to \_\_\_\_\_ shares of Common Stock, par value \$0.001 per share (the "Common Stock"), of the Company (as subject to adjustment hereunder, the "Warrant Shares"). The purchase price of one Warrant Share under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. In addition to the terms defined elsewhere in this Warrant, the following terms have the meanings indicated in this Section 1:

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Business Day" means any day other than Saturday, Sunday, or other day on which the Federal Reserve Bank of New York is closed.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value \$0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

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“Purchase Agreement” means the securities purchase agreement, dated as of May 15, 2025, by and between the Company and each of the purchasers signatory thereto.

“Registration Statement” means the Company’s registration statement on Form S-1 to be filed pursuant to the terms of the Purchase Agreement.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Subsidiary” means any subsidiary of the Company and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

“Trading Day” means a day on which the Common Stock is traded on a Trading Market.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

“Transfer Agent” means the Company’s current transfer agent any successor transfer agent of the Company.

## Section 2. Exercise.

(a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto as **Exhibit A** (the “Notice of Exercise”). Within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by wire transfer or cashier’s check drawn on a United States bank unless the cashless exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder are permitted, *provided however* that any such partial exercise must relate to a number of Warrant Shares equal to the lesser of fifty thousand (50,000) and all of the Warrant Shares available for purchase under this Warrant. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise on the Trading Day of receipt of such notice. Notwithstanding the foregoing, with respect to any Notice(s) of Exercise delivered on or prior to 12:00 p.m. (New York City time) on the Initial Exercise Date, which may be delivered at any time after the time of execution of the Purchase Agreement, the Company agrees to deliver, or cause to be delivered, the Warrant Shares subject to such notice(s) by 4:00 p.m. (New York City time) on the Initial Exercise Date, and the Initial Exercise Date shall be the Warrant Share Delivery Date (as defined below) for purposes hereunder, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received by such Warrant Share Delivery Date. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

For the avoidance of doubt, at any time during which there is no effective registration statement for the issuance of the Warrant Shares to the Holder, but only if this Warrant is exercised for cash, the Company may settle the exercise of the Warrant with unregistered shares of Common Stock.

(b) Exercise Price. The aggregate exercise price of this Warrant, except for a nominal exercise price of \$0.001 per Warrant Share, was pre-funded to the Company on or prior to the Initial Exercise Date and, consequently, no additional consideration (other than the nominal exercise price of \$0.001 per Warrant Share) shall be required to be paid by the Holder to any Person to effect any exercise of this Warrant. The Holder shall not be entitled to the return or refund of all, or any portion, of such pre-paid aggregate exercise price under any circumstance or for any reason whatsoever, including in the event this Warrant shall not have been exercised prior to the Termination Date. The remaining unpaid exercise price per Warrant Share under this Warrant shall be \$0.001, subject to adjustment hereunder (the "Exercise Price").

(c) Cashless Exercise. This Warrant may also be exercised, in whole or in part otherwise in accordance with the terms of this Warrant, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of "regular trading hours" (as defined in Rule 600(b) of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) at the option of the Holder, either (x) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise or (y) the Bid Price of the Common Stock on the principal Trading Market as reported by Bloomberg L.P. ("Bloomberg") as of the time of the Holder's execution of the applicable Notice of Exercise if such Notice of Exercise is executed during "regular trading hours" on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of "regular trading hours" on a Trading Day) pursuant to Section 2(a) hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to Section 2(a) hereof after the close of "regular trading hours" on such Trading Day;

(B) = the Exercise Price, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised. The Company agrees not to take any position contrary to this Section 2(c).

“Bid Price” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the VWAP of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

Notwithstanding anything herein to the contrary, on the Termination Date, this Warrant shall be automatically exercised via cashless exercise pursuant to this Section 2(c).

(d) Mechanics of Exercise.

(i) Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted to the Holder by The Depository Trust Company through its Deposit or Withdrawal at Custodian system (“DWAC”) if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to, or resale of the Warrant Shares by, the Holder or (B) this Warrant is being exercised via cashless exercise, and otherwise by physical delivery of the Warrant Shares, registered in the Company’s share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earliest of (i) one (1) Trading Day after the delivery to the Company of the Notice of Exercise and (ii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the “Warrant Share Delivery Date”). Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, without delivering an objection to the Notice of Exercise per Section 2(a), the Company shall pay to the Holder, at the Holder’s election either (A) in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), \$10 per Trading Day (increasing to \$20 per Trading Day on the third Trading Day after the Warrant Share Delivery Date) for each Trading Day after such Warrant Share Delivery Date until the earlier of such Warrant Shares being delivered or Holder rescinds such exercise or (B) the amount pursuant to a Buy-In pursuant to Section 2(d)(iv) hereof. The Company agrees to maintain a registrar (which may be the Transfer Agent) that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, “Standard Settlement Period” means the standard settlement period, expressed in a number of Trading Days, on the Company’s primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

(ii) Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part in accordance with the limitations of Section 2(a), the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

(iii) Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

(iv) Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases shares of Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of Warrants with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(v) No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share of Common Stock.

(vi) Charges, Taxes and Expenses. The issuance and delivery of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto as **Exhibit B** duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

(vii) Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

(e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with (i) the Holder's Affiliates, (ii) any other Persons acting as a group together with the Holder or any of the Holder's Affiliates, and (iii) any other Persons whose beneficial ownership of shares of Common Stock would or could be aggregated with the Holder's for the purposes of Section 13(d) (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of Warrant Shares issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of Warrant Shares which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation, except to the extent the Holder relies on the number of outstanding shares of Common Stock that was provided by the Company. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, and the Company shall have no obligation to verify or confirm the accuracy of such determination. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Securities and Exchange Commission (the "Commission"), as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written request of a Holder, the Company shall within one Trading Day confirm in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% (or, at the election of the Holder prior to the issuance of this Warrant, 9.99%) of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of the Warrant Shares issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of Warrant Shares upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant. If the Warrant is unexercisable solely as a result of the Holder's Beneficial Ownership Limitation, no alternate consideration is owing to the Holder.

Section 3. Certain Adjustments.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any Warrant Shares issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant remains unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification.

(b) [RESERVED]

(c) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of Common Stock (the "Purchase Rights"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, that, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(d) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, that, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(e) [RESERVED]

(f) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share of Common Stock, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

(g) Notice to Holder.

(i) Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

(ii) Notice to Allow Exercise by Holder. If, while the Warrant is outstanding, (A) the Company declares a dividend (or any other distribution in whatever form) on the shares of Common Stock, (B) the Company declares a cash dividend on, or a redemption of, the shares of Common Stock, (C) the Company authorizes the granting to all holders of the shares of Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company is required in connection with a Fundamental Transaction, or (E) the Company authorizes the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by email to the Holder at its last email address as it shall appear upon the Warrant Register of the Company, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the shares of Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the shares of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

(h) Voluntary Adjustment By Company. Subject to the rules and regulations of the Trading Market, the Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the board of directors of the Company.

Section 4. Transfer of Warrant.

(a) Transferability. This Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto as **Exhibit B**, duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

(b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the initial issuance date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

(c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

(a) Currency. All dollar amounts referred to in this Warrant are in United States Dollars ("U.S. Dollars"). All amounts owing under this Warrant shall be paid in U.S. Dollars. All amounts denominated in other currencies shall be converted in the U.S. Dollar equivalent amount in accordance with the Exchange Rate on the date of calculation. "Exchange Rate" means, in relation to any amount of currency to be converted into U.S. Dollars pursuant to this Warrant, the U.S. Dollar exchange rate as published in the Wall Street Journal (NY edition) on the relevant date of calculation.

(b) No Rights as Stockholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3. Without limiting any rights of a Holder to receive Warrant Shares on a “cashless exercise” pursuant to Section 2(c) or to receive cash payments pursuant to Section 2(d)(i) and Section 2(d)(iv) herein, in no event shall the Company be required to net cash settle an exercise of this Warrant.

(c) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

(d) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then such action may be taken or such right may be exercised on the next succeeding Trading Day.

(e) Authorized Shares. The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued shares of Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares underlying the Warrant upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued and delivered, as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares underlying this Warrant which may be issued and delivered upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any shares of Common Stock above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

(f) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Warrant (whether brought against a party hereto or their respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action, suit or proceeding to enforce any provisions of this Warrant, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for their reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

(g) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and if the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state, federal or foreign securities laws.

(h) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant or the Purchase Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

(i) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Exercise, shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service, addressed to the Company, at \_\_\_\_\_, Attention: \_\_\_\_\_, email address: \_\_\_\_\_, or such other email address or address as the Company may specify for such purposes by notice to the Holders. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the e-mail address or address of such Holder appearing on the books of the Company. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time of transmission, if such notice or communication is delivered via e-mail at the e-mail address set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the time of transmission, if such notice or communication is delivered via e-mail at the e-mail address set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K.

(j) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any shares of Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

(k) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

(l) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

(m) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

(n) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

(o) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

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(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

**GT BIOPHARMA, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**  
**NOTICE OF EXERCISE**

TO: GT BIOPHARMA, INC.

(1) The undersigned hereby elects to purchase \_\_\_\_\_ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

in lawful money of the United States; or

if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_

The Warrant Shares shall be delivered to the following DWAC Account Number:

\_\_\_\_\_

[SIGNATURE OF HOLDER]

Name of Investing Entity: \_\_\_\_\_

*Signature of Authorized Signatory of Investing Entity:* \_\_\_\_\_

Name of Authorized Signatory: \_\_\_\_\_

Title of Authorized Signatory: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**

**ASSIGNMENT FORM**

*(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to exercise the Warrant to purchase shares.)*

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Dated: \_\_\_\_\_

Holder's Signature: \_\_\_\_\_

Holder's Address: \_\_\_\_\_

**COMMON SHARES PURCHASE AGREEMENT**

This **COMMON SHARES PURCHASE AGREEMENT** is made and entered into as of May 14, 2025 (this "**Agreement**"), by and between Five Narrow Lane, L.P., a Delaware limited partnership And/or its assignee and Bristol Capital, LLC, a Delaware limited liability company and/or its assignee (each an "**Investor**" and together, the "**Investors**"), and GT Biopharma, Inc. a Delaware corporation (the "**Company**").

**RECITALS**

**WHEREAS**, the parties desire that, upon the terms and subject to the conditions and limitations set forth herein, the Company may issue and sell to the Investors, from time to time as provided herein, and the Investors shall purchase from the Company, up to the lesser of (i) \$20,000,000 (the "**Total Commitment**") in aggregate gross purchase price of duly authorized, validly issued, fully paid and non-assessable common shares of the Company, par value \$0.001 per share (the "**Common Shares**") and (ii) the Exchange Cap (to the extent applicable under Section 3.3); and

**WHEREAS**, such sales of Common Shares by the Company to the Investors will be made in reliance upon the provisions of Section 4(a)(2) of the Securities Act ("**Section 4(a)(2)**") and/or Rule 506(b) of Regulation D promulgated by the Commission under the Securities Act ("**Regulation D**"), and upon such other exemption from the registration requirements of the Securities Act as may be available with respect to any or all of the issuances and sales of Common Shares by the Company to the Investors to be made hereunder.

**NOW, THEREFORE**, the parties hereto, intending to be legally bound, hereby agree as follows:

**ARTICLE I  
DEFINITIONS**

Capitalized terms used in this Agreement shall have the meanings ascribed to such terms in Annex I hereto, and hereby made a part hereof, or as otherwise set forth in this Agreement.

**ARTICLE II  
PURCHASE AND SALE OF COMMON SHARES**

**Section 2.1. Purchase and Sale of Shares.** Upon the terms and subject to the conditions of this Agreement, during the Investment Period, the Company, in its sole discretion, shall have the right, but not the obligation, to issue and sell to the Investors, and the Investors, *pari passu* and in equal amounts as to each VWAP Purchase Notice (unless otherwise agreed between the Investors as to any VWAP Purchase Notice), and without prejudice to the Company) shall purchase from the Company, up to the lesser of (i) the Total Commitment and (ii) the Exchange Cap, to the extent applicable under Section 3.3 (such lesser amount of Common Shares, the "**Aggregate Limit**"), by the delivery to the Investors of VWAP Purchase Notices as provided in Article III.

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**Section 2.2. Closing Date; Settlement Dates.** This Agreement shall become effective and binding upon (a) the delivery of counterpart signature pages of this Agreement executed by each of the parties hereto, and (b) the delivery of all other documents, instruments and writings required to be delivered pursuant to this Agreement, as provided in Section 7.1 at or prior to 9:00 a.m. New York City time on the Closing Date (the “*Closing*”). In consideration of and in express reliance upon the representations, warranties and covenants contained in, and upon the terms and subject to the conditions of, this Agreement, during the Investment Period, the Company, at its sole option and discretion, may issue and sell to the Investors, and, if the Company elects to so issue and sell, the Investors shall purchase from the Company, the Shares in respect of each VWAP Purchase. The delivery of Shares in respect of each VWAP Purchase, and the payment for such Shares, shall occur in accordance with Section 3.2, provided that all of the conditions precedent in Article VII shall have been fulfilled at the applicable times set forth in Article VII.

**Section 2.3. Initial Public Announcements and Required Filings.** The Company shall, after the Closing but not later than 9:00 a.m., New York City time, on the Trading Day after the date of this Agreement, file with the Commission either a current report on Form 8-K (including any exhibits thereto) or its quarterly report on Form 10-Q (including any relevant exhibits thereto) disclosing the execution of this Agreement by the Company and the Investor (as applicable, the “*Announcement Report*”). The Company shall provide the Investors and their legal counsel a reasonable opportunity to comment on a draft of the current report on Form 8-K, or the relevant disclosure from the quarterly report on Form 10-Q, as applicable, prior to filing the Announcement Report with the Commission and shall give due consideration to all such comments. From and after the filing of the Announcement Report with the Commission, the Company shall publicly disclose all material, nonpublic information delivered to the Investors (or the Investors’ representatives or agents) by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees, agents or representatives (if any) in connection with the transactions contemplated by the Transaction Documents. The Investors covenant that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company as described in this Section 2.3, the Investors shall maintain the confidentiality of all disclosures made to them in connection with the transactions contemplated by the Transaction Documents (including the existence and terms of the transactions contemplated thereby), except that the Investors may disclose the terms of such transactions to their financial, accounting, legal and other advisors (provided that the Investors direct such parties to maintain the confidentiality of such information). The Company shall use its reasonable best efforts to prepare and, as soon as practicable, file with the Commission the Initial Registration Statement and any New Registration Statement covering only the resale by the Investors of the Registrable Securities in accordance with the Securities Act. At or before 5:30 p.m. (New York City time) on the second (2nd) Trading Day immediately following the Effective Date of the Initial Registration Statement and any New Registration Statement (or any post-effective amendment thereto), the Company shall use its reasonable best efforts to file with the Commission in accordance with Rule 424(b) under the Securities Act the final Prospectus to be used in connection with resales of the Registrable Securities by Investors pursuant to such Registration Statement (or post-effective amendment thereto).

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**ARTICLE III  
PURCHASE TERMS**

Subject to the satisfaction of the conditions set forth in Article VII, the parties agree as follows:

**Section 3.1. VWAP Purchases.** Upon the initial satisfaction of all of the conditions set forth in Section 7.1 (the “*Commencement*” and the date of initial satisfaction of all of such conditions, the “*Commencement Date*”) and from time to time thereafter, subject to the satisfaction of all of the conditions set forth in Section 7.2, the Company shall have the right, but not the obligation, to direct the Investors, by its timely delivery to the Investors of a VWAP Purchase Notice, in substantially the form attached hereto as Exhibit A, after 6:00 a.m., New York City time, but prior to 9:00 a.m., New York City time, on a VWAP Purchase Date, to purchase a number of Common Shares equal to the VWAP Purchase Share Request at the applicable VWAP Purchase Price therefor on such VWAP Purchase Date in accordance with this Agreement (each such purchase, a “*VWAP Purchase*”). In addition, the Investors may, in their sole discretion, accept a VWAP Purchase Notice after 9:00 a.m., New York City time, on a VWAP Purchase Date, provided that such acceptance, once provided, shall be irrevocable and binding and the Company’s obligation to deliver the shares that are the subject of such VWAP Purchase Notice shall be binding; *provided* that, if the Investors (or one of them) does not accept a VWAP Purchase Notice that is delivered after 9:00 a.m., New York City time, such VWAP Purchase Notice shall be deemed to be null and void. The Investors may also, in their sole discretion, accept additional VWAP Purchase Notices within a Trading Day, in which case any prior VWAP Purchase Notice accepted by the Investors in such Trading Day shall be null, void, superseded and replaced in its entirety by such subsequent VWAP Purchase Notice. The Company may timely deliver a VWAP Purchase Notice to the Investors as often as every five (5) Trading Days (and may deliver multiple VWAP Purchase Notices in any given day, it being understood that a subsequent VWAP Purchase Notice will supersede and replace all earlier VWAP Purchase Notices delivered within the same Trading Day in their entirety), so long as all Shares subject to all prior VWAP Purchases theretofore required to have been received by the Investor as DWAC Shares under this Agreement have been delivered to the Investors as DWAC Shares in accordance with this Agreement. The Investors are obligated to accept each VWAP Purchase Notice prepared and delivered by the Company in accordance with the terms of and subject to the satisfaction of the conditions contained in this Agreement. If the Company delivers any VWAP Purchase Notice directing the Investors to purchase a number of Shares that is in excess of the applicable VWAP Purchase Share Amount, such VWAP Purchase Notice shall be void *ab initio* to the extent of the amount by which the VWAP Purchase Share Estimate set forth in such VWAP Purchase Notice exceeds such applicable VWAP Purchase Share Amount, and the Investors shall have no obligation to purchase such excess Shares in respect of such VWAP Purchase Notice; provided, however, that the Investors shall remain obligated to purchase the applicable VWAP Purchase Share Amount in such VWAP Purchase. On the date of delivery of any VWAP Purchase Notice, the Company shall, prior to 9:00 a.m., New York City time (or as promptly as practicable thereafter in the case of a VWAP Purchase Notice delivered after 9:00 a.m., New York City time, that is accepted by the Investors), issue to the Investors a number of DWAC Shares equal to the VWAP Purchase Share Estimate (the date such Shares are delivered, the “*VWAP Purchase Share Delivery Date*”). In no event shall the Investors, pursuant to any VWAP Purchase, purchase a number of Shares constituting the applicable VWAP Purchase Share Amount that exceeds the VWAP Purchase Share Estimate issued on the VWAP Purchase Date in connection with such VWAP Purchase Notice; however, the Investors will immediately return to the Company any Shares issued pursuant to the VWAP Purchase Share Estimate that exceeds the number of Shares constituting the applicable VWAP Purchase Share Amount the Investors actually purchase in connection with such VWAP Purchase. In no event shall the Investor purchase a number of Shares that exceeds the specified VWAP Purchase Share Estimate included in a given VWAP Purchase Notice in connection with such VWAP Purchase. In addition, it is acknowledged and agreed that the Company may not deliver any additional VWAP Purchase Notice to the Investors until all Shares subject to a VWAP Purchase, and all Shares subject to all prior VWAP Purchase Notices, have been received by the Investors as DWAC Shares in accordance with this Agreement. At or prior to 5:30 p.m., New York City time, on the VWAP Purchase Date for each VWAP Purchase, the Investors shall each provide to the Company a written confirmation for such VWAP Purchase (each, a “*VWAP Purchase Confirmation*”) setting forth the applicable VWAP Purchase Price per Share to be paid by the Investors in such VWAP Purchase, and the total aggregate VWAP Purchase Price to be paid by the Investors for the total VWAP Purchase Share Amount purchased by the Investors in such VWAP Purchase. Notwithstanding the foregoing, the Company shall not deliver any VWAP Purchase Notices to the Investors during the Post-Effective Amendment Period.

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**Section 3.2. Payment and Settlement.** For each VWAP Purchase, the Investors shall pay to the Company an amount in cash equal to the product of (a) the applicable VWAP Purchase Share Amount and (b) the applicable VWAP Purchase Price for such Shares (the “*VWAP Purchase Amount*”), as full payment for such Shares purchased by the Investors in such VWAP Purchase, via wire transfer of immediately available funds, not later than 5:00 p.m., New York City time, on the Trading Day immediately following the applicable VWAP Purchase Share Delivery Date for such VWAP Purchase, provided the Investors shall have timely received, as DWAC Shares, all of such Shares purchased by the Investors in such VWAP Purchase on such VWAP Purchase Share Delivery Date in accordance with the first sentence of this Section 3.2, or, if any of such Shares are received by the Investors after 1:00 p.m., New York City time, then the Company’s receipt of such funds in its designated account may occur on the Trading Day next following the Trading Day on which the Investors shall have received all of such Shares as DWAC Shares, but not later than 5:00 p.m., New York City time, on such next Trading Day. If the Investors (or either of them) fail to pay the VWAP Purchase Amount when due, the defaulting Investor or Investors will return the DWAC Shares to the Company. If the Company or the Transfer Agent shall fail for any reason to deliver to the Investors, as DWAC Shares, any Shares purchased by the Investors in a VWAP Purchase prior to 4:30 p.m., New York City time, on the Trading Day immediately following the applicable VWAP Purchase Share Delivery Date for such VWAP Purchase, and if after such Trading Day the Investors or either of them purchases (in an open market transaction or otherwise) Common Shares to deliver in satisfaction of a sale by the such Investor of such Shares that the Investor anticipated receiving from the Company on such VWAP Purchase Share Delivery Date in respect of such VWAP Purchase, then the Company shall, within one (1) Trading Day after the Investor’s request, either (i) pay cash to the applicable Investor in an amount equal to such Investor’s total purchase price (including brokerage commissions, if any) for the Common Shares so purchased (the “*Cover Price*”), at which point the Company’s obligation to deliver such Shares as DWAC Shares shall terminate, or (ii) promptly honor its obligation to deliver to the Investor such Shares as DWAC Shares and pay cash to the Investor in an amount equal to the excess (if any) of the Cover Price over the VWAP Purchase Amount; *provided*, that each Investor agrees to use its commercially reasonable efforts to purchase Common Shares in respect of the Cover Price only in normal brokerage transactions at the prevailing price per Common Share then available. The Company shall not issue any fraction of a share of Common Shares to the Investors in connection with any VWAP Purchase effected pursuant to this Agreement. If the issuance would result in the issuance of a fraction of a share of Common Shares, the Company shall round such fraction of a share of Common Shares up to the nearest whole share. All payments to be made by the Investors pursuant to this Agreement shall be made by wire transfer of immediately available funds in United States dollars to such account as the Company may from time to time designate by written notice to the Investors in accordance with the provisions of this Agreement.

**Section 3.3. Compliance with Rules of Principal Market.**

(a) **Exchange Cap.** The Company shall not issue or sell any Common Shares pursuant to this Agreement, and the Investors shall not purchase or acquire any Common Shares pursuant to this Agreement, to the extent that after giving effect thereto, the aggregate number of Common Shares that would be issued pursuant to this Agreement and the transactions contemplated hereby would exceed \_\_\_\_\_ Common Shares (representing 19.99% of the voting power or number of Common Shares, issued and outstanding immediately prior to the execution of this Agreement, subject to the Exchange Cap Allocation), which number of shares shall be reduced, on a share-for-share basis, by the number of Common Shares issued or issuable pursuant to any transaction or series of transactions that may be aggregated with the transactions contemplated by this Agreement under applicable rules of the Principal Market (such maximum number of shares, the “*Exchange Cap*”), unless the Company’s shareholders have approved the issuance of Common Shares pursuant to this Agreement in excess of the Exchange Cap in accordance with the applicable rules of the Principal Market, unless “average price” of all purchases under the Purchase Agreement equals or exceeds the Minimum Price, adjusted to take into account the Commitment Shares such that issuances and sales of Common Stock under this Agreement are deemed “at market” pursuant to the corporate governance rules of the Principal Market. If the Company issues shares above the Exchange Cap in reliance on this clause, the “average price” of all purchases under the Purchase Agreement for the remainder of the term of the Purchase Agreement must always equal or exceed the Minimum Price. For the avoidance of doubt, the Company may, but shall be under no obligation to, request its shareholders to approve the issuance of Common Shares pursuant to this Agreement; *provided*, that if such shareholder approval is not obtained, the Exchange Cap shall be applicable for all purposes of this Agreement and the transactions contemplated hereby at all times during the term of this Agreement.

(b) **General.** The Company shall not issue or sell any Common Shares pursuant to this Agreement if such issuance or sale would reasonably be expected to result in (A) a violation of the Securities Act or (B) a breach of the rules of the Principal Market.

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**Section 3.4. Beneficial Ownership Limitation.** Notwithstanding anything to the contrary contained in this Agreement, neither Investor shall be obligated to purchase or acquire, and shall not purchase or acquire, any Common Shares under this Agreement which, when aggregated with all other Common Shares then beneficially owned by the Investor and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder), would result in the beneficial ownership by the Investor and its affiliates (on an aggregated basis) of more than 4.99% of the outstanding voting power or number of Common Shares (the “*Beneficial Ownership Limitation*”). Upon the written request of an Investor, the Company shall promptly (but not later than the next business day on which the Transfer Agent is open for business) confirm orally or in writing to the Investor the number of Common Shares then outstanding. The Investors and the Company shall each cooperate in good faith in the determinations required under this Section 3.4 and the application of this Section 3.4. The Investor’s written certification to the Company of the applicability of the Beneficial Ownership Limitation, and the resulting effect thereof hereunder at any time, shall be conclusive with respect to the applicability thereof and such result absent manifest error.

**Section 3.5. Upfront Commitment Fee.** In consideration for the Investor’s execution and delivery of this Agreement, the Company shall pay the Upfront Commitment Fee to the Investor in the form of a pre-funded warrant to purchase Common Stock, in the form of Exhibit B hereto, simultaneous with the Closing.

#### **ARTICLE IV REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE INVESTORS**

Each Investor, severally and not jointly, hereby makes the following representations, warranties and covenants to the Company:

**Section 4.1. Organization and Standing of the Investor.** The Investor is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

**Section 4.2. Authorization and Power.** The Investor has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and to purchase or acquire the Shares in accordance with the terms hereof. The execution, delivery and performance by the Investor of this Agreement and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action, and no further consent or authorization of the Investor or its sole member is required. This Agreement has been duly executed and delivered by the Investor and constitutes a valid and binding obligation of the Investor enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation, conservatorship, receivership, or similar laws relating to, or affecting generally the enforcement of, creditor’s rights and remedies or by other equitable principles of general application (including any limitation of equitable remedies).

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**Section 4.3. No Conflicts.** The execution, delivery and performance by the Investor of this Agreement and the consummation by the Investor of the transactions contemplated hereby and thereby do not and shall not (i) result in a violation of such Investor's applicable organizational instruments, (ii) conflict with, constitute a default (or an event which, with notice or lapse of time or both, would become a default) under, or give rise to any rights of termination, amendment, acceleration or cancellation of, any material agreement, mortgage, deed of trust, indenture, note, bond, license, lease agreement, instrument or obligation to which the Investor is a party or is bound, or (iii) result in a violation of any federal, state, local or foreign statute, rule, or regulation, or any order, judgment or decree of any court or governmental agency applicable to the Investor or by which any of its properties or assets are bound or affected, except, in the case of clauses (ii) and (iii), for such conflicts, defaults, terminations, amendments, acceleration, cancellations and violations as would not, individually or in the aggregate, prohibit or otherwise interfere with, in any material respect, the ability of the Investor to enter into and perform its obligations under this Agreement. The Investor is not required under any applicable federal, state or local law, rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under this Agreement or to purchase or acquire the Shares in accordance with the terms hereof; provided, however, that for purposes of the representation made in this sentence, the Investor is assuming and relying upon the accuracy of the relevant representations and warranties and the compliance with the relevant covenants and agreements of the Company in the Transaction Documents to which it is a party.

**Section 4.4. Investment Purpose.** The Investor is acquiring the Shares for its own account, for investment purposes and not with a view towards, or for resale in connection with, the public sale or distribution thereof, in violation of the Securities Act or any applicable state securities laws; provided, however, that by making the representations herein, the Investor does not agree, or make any representation or warranty, to hold any of the Shares for any minimum or other specific term and reserves the right to dispose of the Shares at any time in accordance with, or pursuant to, a registration statement filed pursuant to this Agreement or an applicable exemption under the Securities Act. The Investor does not presently have any agreement or understanding, directly or indirectly, with any Person to sell or distribute any of the Shares. The Investor is acquiring the Shares hereunder in the ordinary course of its business.

**Section 4.5. Accredited Investor Status.** The Investor is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D.

**Section 4.6. Reliance on Exemptions.** The Investor understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Investor's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Investor set forth herein in order to determine the availability of such exemptions and the eligibility of the Investor to acquire the Shares.

**Section 4.7. Information.** All materials relating to the business, financial condition, management and operations of the Company and its Affiliates, and materials relating to the offer and sale of the Shares which have been requested by the Investor have been furnished or otherwise made available (including through filing with or furnishing to the Commission) to the Investor or its advisors, including, without limitation, the Commission Documents and other documents filed with or furnished to the Commission by Affiliates of the Company. The Investor understands that its investment in the Shares involves a high degree of risk. The Investor is able to bear the economic risk of an investment in the Shares, including a total loss thereof, and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of a proposed investment in the Shares. The Investor and its advisors have been afforded the opportunity to ask questions of and receive answers from representatives of the Company concerning the financial condition and business of the Company and its Affiliates, and other matters relating to an investment in the Shares. Neither such inquiries nor any other due diligence investigations conducted by the Investor or its advisors, if any, or its representatives shall modify, amend or affect the Investor's right to rely on the Company's representations and warranties contained in this Agreement or in any other Transaction Document to which the Company is a party or the Investor's right to rely on any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby. The Investor has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Shares. The Investor understands that it (and not the Company) shall be responsible for its own tax liabilities that may arise as a result of this investment or the transactions contemplated by this Agreement.

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**Section 4.8. No Governmental Review.** The Investor understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

**Section 4.9. No General Solicitation.** The Investor is not purchasing or acquiring the Shares as a result of any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Shares.

**Section 4.10. Not an Affiliate.** The Investor is not an officer, director or an Affiliate of the Company. Nothing in this Agreement shall prohibit or be deemed to prohibit the Investor from purchasing, in an open market transaction or otherwise, Common Shares necessary to make delivery by the Investor in satisfaction of a sale by the Investor of Shares that the Investor anticipated receiving from the Company in connection with the settlement of a VWAP Purchase if the Company or its transfer agent shall have failed for any reason (other than a failure of Investor or its Broker-Dealer (as defined below) to set up a DWAC and required instructions) to electronically transfer all of the Shares subject to such VWAP Purchase to the Investor on the applicable VWAP Purchase Share Delivery Date by crediting the Investor's or its designated Broker-Dealer's account at DTC through its DWAC delivery system in compliance with Section 3.2 of this Agreement.

**Section 4.11. No Prior Short Sales.** At no time prior to the date of this Agreement has the Investor, its sole member, any of their respective officers, or any entity managed or controlled by the Investor or its sole member, engaged in or effected, in any manner whatsoever, directly or indirectly, for its own principal account, any hedging transaction, which established a net short position with respect to the Common Shares that remains in effect as of the date of this Agreement.

**Section 4.12. Statutory Underwriter Status.** The Investor acknowledges that it will be disclosed as an "underwriter" and a "selling shareholder" in each Registration Statement and in any Prospectus contained therein to the extent required by applicable law and to the extent the Prospectus is related to the resale of Registrable Securities.

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**Section 4.13. Resales of Shares.** The Investor represents, warrants and covenants that it will resell such Shares only pursuant to the Registration Statement in which the resale of such Shares is registered under the Securities Act, in a manner described under the caption “Plan of Distribution” in such Registration Statement, and in a manner in compliance with all applicable U.S. federal and state securities laws, rules and regulations.

**ARTICLE V  
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY**

The Company hereby makes the following representations, warranties and covenants to the Investors:

**Section 5.1. Organization, Good Standing and Power.** The Company and each of its Subsidiaries are duly organized, validly existing and in good standing (to the extent such concept is available) under the laws of their respective jurisdictions of organization. The Company and each of its Subsidiaries are duly licensed or qualified as a foreign corporation for transaction of business and in good standing under the laws of each other jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such license or qualification, and have all corporate power and authority necessary to own or hold their respective properties and to conduct their respective businesses as described in the Commission Documents, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect or would reasonably be expected to have a material adverse effect on or affecting the assets, business, operations, earnings, properties, condition (financial or otherwise), prospects, shareholders’ equity or results of operations of the Company and its Subsidiaries taken as a whole, or prevent or materially interfere with consummation of the transactions contemplated hereby (a “*Material Adverse Effect*”).

**Section 5.2. Subsidiaries.** The subsidiaries described in the Company’s most recent annual report on Form 10-K (collectively, the “Subsidiaries”), are the Company’s only significant subsidiaries (as such term is defined in Rule 1-02 of Regulation S-X promulgated by the Commission). Except as set forth in the Commission Documents, the Company owns, directly or indirectly, all of its equity interests in the Subsidiaries free and clear of any lien, charge, security interest, encumbrance or other restriction, and all its equity interests in the Subsidiaries are validly issued and are fully paid, nonassessable.

**Section 5.3. Authorization, Enforcement.** The Company has the requisite corporate power and authority to enter into and perform its obligations under each of the Transaction Documents to which it is a party and to issue the Shares and the Commitment Fee warrant in accordance with the terms hereof and thereof. Except for approvals of the Company’s Board of Directors or a committee thereof as may be required in connection with any issuance and sale of Shares to the Investors hereunder (which approvals shall be obtained prior to the delivery of any VWAP Purchase Notice), the execution, delivery and performance by the Company of each of the Transaction Documents to which it is a party and the consummation by it of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action, and no further consent or authorization of the Company, its Board of Directors or its shareholders is required. Each of the Transaction Documents to which the Company is a party has been duly executed and delivered by the Company and constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation, conservatorship, receivership or similar laws relating to, or affecting generally the enforcement of, creditor’s rights and remedies or by other equitable principles of general application (including any limitation of equitable remedies).

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**Section 5.4. Capitalization.** The Company has a capitalization as set forth in the Commission Documents (as applicable) as of the dates thereof. Except as set forth in the Commission Documents and this Agreement, there are no (i) agreements or arrangements under which the Company is obligated to register the sale of any securities under the Securities Act or (ii) Common Shares that are entitled to preemptive rights. Except for customary transfer restrictions contained in agreements entered into by the Company to sell restricted securities, equity award plans or related award agreement terms for restricted stock or as set forth in the Commission Documents, the Company is not a party to, and it has no knowledge of, any agreement restricting the voting or transfer of any shares of the capital stock of the Company. Except as set forth in the Commission Documents, there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by this Agreement or any of the other Transaction Documents or the consummation of the transactions described herein or therein. The Company has filed with the Commission true and correct copies of the Company's memorandum of association as in effect on the Closing Date, and the Company's by-laws as in effect on the Closing Date.

**Section 5.5. Issuance of Shares.** The Shares, if and when issued and sold against payment therefor in accordance with this Agreement, shall be validly issued and outstanding, fully paid and non-assessable and free from all liens, charges, taxes, security interests, encumbrances, rights of first refusal, preemptive or similar rights and other encumbrances with respect to the issue thereof, and the Investors shall each be entitled to all rights accorded to a holder of Common Shares. At or prior to Commencement, the Company shall have duly authorized and reserved 25,000,000 Common Shares (such share amount, the "Share Cap") for issuance and sale as Shares to the Investor pursuant to VWAP Purchases that may be effected by the Company, in its sole discretion, from time to time from and after the Commencement Date, pursuant to this Agreement.

**Section 5.6. No Conflicts.** The execution, delivery and performance by the Company of each of the Transaction Documents to which it is a party and the consummation by the Company of the transactions contemplated hereby and thereby do not and shall not (i) result in a violation of any provision of the Company's certificate of incorporation or by-laws, (ii) conflict with or constitute a material default (or an event which, with notice or lapse of time or both, would become a material default) under, or give rise to any rights of termination, amendment, acceleration or cancellation of, any material agreement, mortgage, deed of trust, indenture, note, bond, license, instrument or obligation to which the Company or any of its Subsidiaries is a party or is bound, (iii) result in a violation of any federal, state, local or other foreign statute, rule, regulation, order, judgment or decree applicable to the Company or any of its Subsidiaries (including federal and state securities laws and regulations and the rules and regulations of the Principal Market or applicable Principal Market), except, in the case of clauses (ii) and (iii), for such conflicts, defaults, terminations, amendments, acceleration, cancellations, liens, charges, encumbrances and violations as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or that have been waived. Except as specifically contemplated by this Agreement and as required under the Securities Act, any applicable state securities laws and applicable rules of the Principal Market, the Company is not required under any federal, state or local rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under the Transaction Documents to which it is a party, or to issue the Shares to the Investor in accordance with the terms hereof and thereof (other than such consents, authorizations, orders, filings or registrations as have been obtained or made prior to the Closing Date); provided, however, that, for purposes of the representation made in this sentence, the Company is assuming and relying upon the accuracy of the representations and warranties of the Investor in this Agreement and the compliance by it with its covenants and agreements contained in this Agreement.

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**Section 5.7. Commission Documents, Financial Statements; Disclosure Controls and Procedures; Internal Controls Over Financial Reporting; Accountants.**

(a) Since January 1, 2024, the Company has timely filed (giving effect to permissible extensions in accordance with Rule 12b-25 under the Exchange Act) all filings required to be filed with or furnished to the Commission by the Company under the Securities Act or the Exchange Act, including those required to be filed with or furnished to the Commission under Section 13(a) or Section 15(d) of the Exchange Act. As of its filing date, each Commission Document filed with or furnished to the Commission prior to the Closing Date complied in all material respects with the requirements of the Securities Act or the Exchange Act, as applicable. Each Registration Statement, on the date it is filed with the Commission, on the date it is declared effective by the Commission and on each VWAP Purchase Date shall comply in all material respects with the requirements of the Securities Act (including, without limitation, Rule 415 under the Securities Act) and shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except that this representation and warranty shall not apply to statements in or omissions from such Registration Statement made in reliance upon and in conformity with information relating to an Investor furnished to the Company in writing by or on behalf of such Investor expressly for use therein. The Prospectus and each Prospectus Supplement required to be filed pursuant to this Agreement after the Closing Date, when taken together, on its date and on each VWAP Purchase Date shall comply in all material respects with the requirements of the Securities Act (including, without limitation, Rule 424(b) under the Securities Act) and shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except that this representation and warranty shall not apply to statements in or omissions from the Prospectus or any Prospectus Supplement made in reliance upon and in conformity with information relating to an Investor furnished to the Company in writing by or on behalf of such Investor expressly for use therein. Nothing has come to the attention of the Company that has caused the Company to believe that the statistical, demographic and market-related data included in the Registration Statement and Prospectus are not based on or derived from sources that are reliable and accurate in all material respects. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the Securities Act or the Exchange Act.

(b) The consolidated financial statements of the Company included or incorporated by reference in the Commission Documents, together with the related notes and schedules, present fairly, in all material respects, the consolidated financial position of the Company and its then consolidated subsidiaries as of the dates indicated, and the consolidated results of operations, cash flows and changes in shareholders' equity of the Company and its then consolidated subsidiaries for the periods specified and have been prepared in all material respects in compliance with the published requirements of the Securities Act and the Exchange Act, as applicable, and in conformity with generally accepted accounting principles in the United States ("**GAAP**") applied on a consistent basis. The pro forma condensed combined financial statements and the pro forma combined financial statements and any other pro forma financial statements or data included or incorporated by reference in the Commission Documents, if any, comply with the requirements of Regulation S-X of the Securities Act, including, without limitation, Article 11 thereof, and the assumptions used in the preparation of such pro forma financial statements and data are reasonable, the pro forma adjustments used therein are appropriate to give effect to the circumstances referred to therein and the pro forma adjustments have been properly applied to the historical amounts in the compilation of those statements and data. The other financial and statistical data with respect to the Company and the Subsidiaries contained or incorporated by reference in the Commission Documents, if any, are accurately and fairly presented and prepared on a basis consistent with the financial statements and books and records of the Company. There are no financial statements (historical or pro forma) that are required to be included or incorporated by reference in the Commission Documents that are not included or incorporated by reference as required. The Company and the Subsidiaries do not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations or any "variable interest entities" as that term is used in Accounting Standards Codification Paragraph 810-10-25-20), not described in Commission Documents which are required to be described in the Commission Documents. All disclosures contained or incorporated by reference in the Commission Documents, if any, regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Regulation G of the Exchange Act and Item 10 of Regulation S-K under the Securities Act, to the extent applicable. The interactive data in eXtensible Business Reporting Language included in the Commission Documents fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(c) Weinberg & Company, P.A. (the "**Accountant**"), whose report on the consolidated financial statements of the Company as of and for the years ended December 31, 2023 and 2024 included in the Company's annual report on Form 10-K and 10-K/A, are and, during the periods covered by their report, were an independent public accounting firm within the meaning of the Securities Act and the Public Company Accounting Oversight Board (United States). To the Company's knowledge, the Accountant is not in violation of the auditor independence requirements of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**") with respect to the Company.

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(d) There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply in all material respects with any applicable provisions of the Sarbanes-Oxley Act and the rules and regulations promulgated thereunder. Each of the principal executive officer and the principal financial officer of the Company (or each former principal executive officer of the Company and each former principal financial officer of the Company as applicable) has made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act with respect to all reports, schedules, forms, statements and other documents required to be filed by it or furnished by it to the Commission. For purposes of the preceding sentence, "principal executive officer" and "principal financial officer" shall have the meanings given to such terms in the Sarbanes-Oxley Act. The Company and the Subsidiaries maintain and keep accurate books and records reflecting their assets and maintain internal accounting controls in a manner designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements by the Company for external purposes in accordance with generally accepted accounting principles and including those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles, (iii) that receipts and expenditures of the Company are being made only in accordance with management's and the Company's directors' authorization, and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements. The Company and the Subsidiaries maintain such controls and other procedures, including, without limitation, those required by Sections 302 and 906 of the Sarbanes-Oxley Act, and the applicable regulations thereunder that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure and to ensure that material information relating to the Company or the Subsidiaries is made known to them by others within those entities, particularly during the period in which such periodic reports are being prepared.

**Section 5.8. No Material Adverse Effect.** Subsequent to the respective dates as of which information is given in the Commission Documents (including any document deemed incorporated by reference therein), there has not been any Material Adverse Effect or the occurrence of any development that the Company reasonably expects will result in a Material Adverse Effect.

**Section 5.9. No Material Defaults.** Neither the Company nor any of its Subsidiaries has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long-term leases, which defaults, individually or in the aggregate, would have a Material Adverse Effect. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act indicating that it (i) has failed to pay any dividend or sinking fund installment on preferred stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long-term leases, which defaults, individually or in the aggregate, would have a Material Adverse Effect.

**Section 5.10. No Preferential Rights.** Except as set forth in the Commission Documents, (i) no Person, has the right, contractual or otherwise, to cause the Company to issue or sell to such Person any Common Shares or shares of any other capital stock or other securities of the Company, (ii) no Person has any preemptive rights, resale rights, rights of first refusal, rights of co-sale, or any other rights (whether pursuant to a "poison pill" provision or otherwise) to purchase any Common Shares or shares of any other capital stock or other securities of the Company, (iii) no Person has the right to act as an underwriter or as a financial advisor to the Company in connection with the offer and sale of the Common Shares, and (iv) no Person has the right, contractual or otherwise, to require the Company to register under the Securities Act any Common Shares or shares of any other capital stock or other securities of the Company, or to include any such shares or other securities in the Registration Statement or the offering contemplated thereby, whether as a result of the filing or effectiveness of the Registration Statement or the sale of the Shares as contemplated thereby or otherwise.

**Section 5.11. Solvency.** The Company has not taken any steps, and does not currently expect to take any steps, to seek protection pursuant to Title 11 of the United States Code or any similar federal or state bankruptcy law or law for the relief of debtors, nor does the Company have any knowledge that its creditors intend to initiate involuntary bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under Title 11 of the United States Code or any other federal or state bankruptcy law or any law for the relief of debtors. Except as set forth in the Commission Documents, the Company is financially solvent and is generally able to pay its debts as they become due.

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**Section 5.12. Real Property; Intellectual Property.**

(a) Except as set forth in the Commission Documents, the Company and its Subsidiaries have good and marketable title in fee simple to all items of real property owned by them, good and valid title to all personal property described in the Commission Documents as being owned by them, in each case free and clear of all liens, encumbrances and claims, except those matters that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and any of its Subsidiaries or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Any real or personal property described in the Commission Documents as being leased by the Company and any of its Subsidiaries is held by them under valid, existing and enforceable leases, except those that (A) do not materially interfere with the use made or proposed to be made of such property by the Company or any of its Subsidiaries or (B) would not be reasonably expected, individually or in the aggregate, to have a Material Adverse Effect. Each of the properties of the Company and its Subsidiaries complies with all applicable codes, laws and regulations (including, without limitation, building and zoning codes, laws and regulations and laws relating to access to such properties), except if and to the extent disclosed in the Commission Documents or except for such failures to comply that would not, individually or in the aggregate, reasonably be expected to interfere in any material respect with the use made and proposed to be made of such property by the Company and its Subsidiaries or otherwise have a Material Adverse Effect. None of the Company or its Subsidiaries has received from any Governmental Authorities any notice of any condemnation of, or zoning change affecting, the properties of the Company and its Subsidiaries, and the Company knows of no such condemnation or zoning change which is threatened, except for such that would not reasonably be expected to interfere in any material respect with the use made and proposed to be made of such property by the Company and its Subsidiaries or otherwise have a Material Adverse Effect, individually or in the aggregate.

(b) Except as disclosed in the Commission Documents, the Company and its Subsidiaries own, possess, license or have other rights to use, or can acquire the right to use on reasonable terms, all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the "**Intellectual Property**"), necessary for the conduct of their respective businesses as now conducted except to the extent that the failure to own, possess, license or otherwise hold or acquire adequate rights to use such Intellectual Property would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Except as disclosed in the Commission Documents and except as would not be reasonably expected individually or in the aggregate, to have a Material Adverse Effect: (i) to the Company's knowledge, there is no infringement by third parties of any Intellectual Property owned by the Company or its Subsidiaries; (ii) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the Company's and its Subsidiaries' rights in or to any Intellectual Property owned by the Company or its Subsidiaries, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (iii) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property owned by the Company or its Subsidiaries; (iv) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company and its Subsidiaries infringe or otherwise violate any Intellectual Property rights of others; and (v) the Company and its Subsidiaries have taken reasonable efforts in accordance with standard industry practice to maintain the confidentiality of all trade secrets and other confidential information of the Company and its Subsidiaries.

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**Section 5.13. Actions Pending.** Except as set forth in the Commission Documents, there are no actions, suits or proceedings by or before any Governmental Authority pending, nor, to the Company's knowledge, any audits or investigations by or before any Governmental Authority to which the Company or a Subsidiary is a party or to which any property of the Company or any of its Subsidiaries is the subject that, as would be reasonably expected, individually or in the aggregate, would have a Material Adverse Effect and, to the Company's knowledge, no such actions, suits, proceedings, audits or investigations are threatened or contemplated by any Governmental Authority or threatened by others; and except as would not be reasonably expected, individually or in the aggregate, to have a Material Adverse Effect, there are no current or pending audits or investigations, actions, suits or proceedings by or before any Governmental Authority that are required under the Securities Act to be described in the Commission Documents that are not so described.

**Section 5.14. Compliance with Law.** Each of the Company and its Subsidiaries: (A) is and at all times has been in compliance with all statutes, rules, or regulations applicable to the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product manufactured or distributed by the Company or its Subsidiaries ("**Applicable Laws**"); (B) has not received any FDA Form 483, notice of adverse finding, warning letter, untitled letter or other correspondence or notice from the FDA or any other Governmental Authority (including, without limitation, the EMA) alleging or asserting noncompliance with any Applicable Laws or any licenses, certificates, approvals, clearances, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws ("**Authorizations**"); (C) possesses all material Authorizations and such Authorizations are valid and in full force and effect and are not in material violation of any term of any such Authorizations; (D) has not received notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Governmental Authority or third party alleging that any product operation or activity is in violation of any Applicable Laws or Authorizations and has no knowledge that any such Governmental Authority or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding; (E) has not received notice that any Governmental Authority has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations and has no knowledge that any such Governmental Authority is considering such action; (F) has filed, obtained, maintained or submitted all material reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and correct on the date filed (or were corrected or supplemented by a subsequent submission); and (G) has not, either voluntarily or involuntarily, initiated, conducted, or issued or caused to be initiated, conducted or issued, any recall, market withdrawal or replacement, safety alert, post sale warning, "dear healthcare provider" letter, or other notice or action relating to the alleged lack of safety or efficacy of any product or any alleged product defect or violation and, to the Company's knowledge, no third party has initiated, conducted or intends to initiate any such notice or action, except in the case of each of (A) through (G) above, as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

**Section 5.15. Certain Fees.** Neither the Company nor any of its Subsidiaries has incurred any liability for any finder's fees, brokerage commissions or similar payments in connection with the transactions herein contemplated.

**Section 5.16. Disclosure.** The Company confirms that neither it nor any other Person acting on its behalf has provided the Investors or any of their agents, advisors or counsel with any information that constitutes or would reasonably be expected to constitute material, nonpublic information concerning the Company or any of its Subsidiaries, other than the existence of the transactions contemplated by the Transaction Documents. The Company understands and confirms that the Investor will rely on the foregoing representations in effecting resales of Shares under the Registration Statement.

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**Section 5.17. Broker/Dealer Relationships.** Neither the Company nor any of the Subsidiaries (i) is required to register as a “broker” or “dealer” in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or is a “person associated with a member” or “associated person of a member” (within the meaning set forth in the FINRA Manual).

**Section 5.18. Disclosure Controls.** The Company maintains a system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company has carried out any evaluations of the effectiveness of its disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

**Section 5.19. Permits.** Except as disclosed in the Commission Documents, the Company and its Subsidiaries have made all filings, applications and submissions required by, possesses and is operating in compliance with, all approvals, licenses, certificates, certifications, clearances, consents, grants, exemptions, marks, notifications, orders, permits and other authorizations issued by, the appropriate federal, state or foreign Governmental Authority (including, without limitation, the United States Food and Drug Administration (the “**FDA**”), the United States Drug Enforcement Administration, the European Medical Agency (“**EMA**”), or any other foreign, federal, state, provincial, court or local government or regulatory authorities including self-regulatory organizations engaged in the regulation of clinical trials, pharmaceuticals, biologics or biohazardous substances or materials) necessary for the ownership or lease of their respective properties or to conduct its businesses as described in the Commission Documents (collectively, “**Permits**”), except for such Permits the failure of which to possess, obtain or make the same would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; the Company and its Subsidiaries are in compliance with the terms and conditions of all such Permits, except where the failure to be in compliance would not have a Material Adverse Effect; all of the Permits are valid and in full force and effect, except where any invalidity, individually or in the aggregate, would not be reasonably expected to have a Material Adverse Effect; and neither the Company nor any of its Subsidiaries has received any written notice relating to the limitation, revocation, cancellation, suspension, modification or non-renewal of any such Permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect, or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course. To the extent required by applicable laws and regulations of the FDA or EMA, the Company or its applicable Subsidiary has submitted to the FDA and/or the EMA an Investigational New Drug Application or amendment or supplement thereto for each clinical trial it has conducted or sponsored or is conducting or sponsoring; all such submissions were in material compliance with applicable laws and rules and regulations when submitted and no material deficiencies have been asserted by the FDA or EMA with respect to any such submissions, which, in each case, have not yet been remedied.

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**Section 5.20. Environmental Compliance.** Except as set forth in the Commission Documents, the Company and its Subsidiaries (i) are in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, decisions and orders relating to the protection of human health and safety to the extent relating to hazardous or toxic substances or wastes, pollutants or contaminants (“*Hazardous Materials*”), the environment or the presence, release, generation, use, management, handling, transportation, treatment, storage, or disposal of Hazardous Materials (collectively, “*Environmental Laws*”); (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) have not received notice of any actual or potential liability for the investigation or remediation of any disposal or release of Hazardous Materials, except, in the case of any of clauses (i), (ii) or (iii) above, for any such failure to comply, failure to receive required permits, licenses, other approvals or liability as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 5.21. No Improper Practices.** (i) Neither the Company nor the Subsidiaries, nor any director, officer, or employee of the Company or any Subsidiary nor, to the Company’s knowledge, any agent, affiliate or other person acting on behalf of the Company or any Subsidiary has, in the past five years, made any unlawful contributions to any candidate for any political office (or failed fully to disclose any contribution in violation of applicable law) or made any contribution or other payment to any official of, or candidate for, any federal, state, municipal, or foreign office or other person charged with similar public or quasi-public duty in violation of any applicable law or of the character required to be disclosed in the Commission Documents; (ii) except as described in the Commission Documents, there are no material outstanding loans or advances or material guarantees of indebtedness by the Company or any Subsidiary to or for the benefit of any of their respective officers or directors or any of the members of the families of any of them; and (iii) neither the Company nor any Subsidiary nor any director, officer or employee of the Company or any Subsidiary nor, to the Company’s knowledge, any agent, affiliate or other person acting on behalf of the Company or any Subsidiary has (A) violated or is in violation of any applicable provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-bribery or anti-corruption law (collectively, “*Anti-Corruption Laws*”), (B) promised, offered, provided, attempted to provide or authorized the provision of anything of value, directly or indirectly, to any person for the purpose of obtaining or retaining business, influencing any act or decision of the recipient, or securing any improper advantage; or (C) made any payment of funds of the Company or any Subsidiary or received or retained any funds in violation of any Anti-Corruption Laws.

**Section 5.22. Operations.** The operations of the Company and its Subsidiaries are and have been conducted for the past five years in compliance with applicable financial record keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions to which the Company or its Subsidiaries are subject, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the “*Money Laundering Laws*”); and no action, suit or proceeding by or before any Governmental Authority involving the Company or any of its Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

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**Section 5.23. Transactions with Affiliates.** No relationship, direct or indirect, exists between or among the Company or any of its Subsidiaries on the one hand, and the directors, officers, trustees, managers, stockholders, partners, customers or suppliers of the Company or any of the Subsidiaries on the other hand, which would be required by the Securities Act or the Exchange Act to be disclosed in the Commission Documents, which is not so disclosed.

**Section 5.24. Labor Disputes.** The Company is not bound by or subject to any collective bargaining or similar agreement with any labor union, and, to the knowledge of the Company, none of the employees, representatives or agents of the Company is represented by any labor union. The Company and its Subsidiaries have complied with all employment laws applicable to employees of the Company and its Subsidiaries, except where non-compliance with any such employment laws would not have a Material Adverse Effect. No labor disturbance by or dispute with employees of the Company or any of its Subsidiaries exists or, to the knowledge of the Company, is threatened which would result in a Material Adverse Effect.

**Section 5.25. Use of Proceeds.** The proceeds from the sale of the Shares by the Company to Investor shall be used by the Company in the manner as will be set forth in the Prospectus included in any Registration Statement (and any post-effective amendment thereto) and any Prospectus Supplement thereto filed pursuant to this Agreement.

**Section 5.26. Investment Company Act Status.** The Company is not, and as a result of the consummation of the transactions contemplated by the Transaction Documents and the application of the proceeds from the sale of the Shares as will be set forth in the Prospectus included in any Registration Statement (and any post-effective amendment thereto) and any Prospectus Supplement thereto filed pursuant to this Agreement the Company will not be an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

**Section 5.27. Taxes.** The Company and each of its Subsidiaries have filed all federal, state, local and foreign tax returns which have been required to be filed and paid all taxes shown thereon through the date hereof, to the extent that such taxes have become due and are not being contested in good faith, except where the failure to so file or pay would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Except as otherwise disclosed in or contemplated by the Commission Documents, no tax deficiency has been determined adversely to the Company or any of its Subsidiaries which has had, or would have, individually or in the aggregate, a Material Adverse Effect. The Company has no knowledge of any federal, state or other governmental tax deficiency, penalty or assessment which has been or might be asserted or threatened against it which would have a Material Adverse Effect.

**Section 5.28. Employee Benefits.** To the knowledge of the Company, each material employee benefit plan that is maintained, administered or contributed to by the Company or any of its Subsidiaries for employees or former employees of the Company and any of its Subsidiaries has been maintained in material compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, no prohibited transaction has occurred which would result in a Material Adverse Effect with respect to any such plan excluding transactions effected pursuant to a statutory or administrative exemption; and for each such, except as would not reasonably be expected to have a Material Adverse Effect, the minimum funding standards applicable thereto have been satisfied and the fair market value of the assets of each such plan (excluding for these purposes accrued but unpaid contributions) exceeds the present value of all benefits accrued under such plan determined using reasonable actuarial assumptions.

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**Section 5.29. Stock Transfer Taxes.** All stock transfer taxes which are required to be paid in connection with the sale and transfer of the Shares to be sold hereunder will be, or will have been, fully paid or provided for by the Company and all laws imposing such taxes will be or will have been fully complied with provided the sale and transfer is effected within the facilities of DTC.

**Section 5.30. Insurance.** The Company and each of its Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as the Company and each of its Subsidiaries reasonably believe are adequate for the conduct of their properties and as is customary for companies engaged in similar businesses in similar industries.

**Section 5.31. Exemption from Registration.** Subject to, and in reliance on, the representations, warranties and covenants made herein by the Investors, the offer and sale of the Shares in accordance with the terms and conditions of this Agreement is exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) and/or Rule 506(b) of Regulation D; provided, however, that at the request of and with the express agreements of an Investor (including, without limitation, the representations, warranties and covenants of such Investor set forth in Section 4.9 through 4.13), the Shares to be issued from and after Commencement to or for the benefit of the Investor pursuant to this Agreement shall be issued to the Investor or its designee only as DWAC Shares and will not bear legends noting restrictions as to resale of such securities under federal or state securities laws, nor will any such securities be subject to stop transfer instructions.

**Section 5.32. No General Solicitation or Advertising.** Neither the Company, nor any of its Subsidiaries or Affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Shares.

**Section 5.33. No Integrated Offering.** None of the Company, its Subsidiaries or any of their Affiliates, nor any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Shares under the Securities Act, whether through integration with prior offerings or otherwise, or cause this offering of the Shares to require approval of shareholders of the Company under any applicable shareholder approval provisions, including, without limitation, under the rules and regulations of the Principal Market. None of the Company, its Subsidiaries, their Affiliates nor any Person acting on their behalf will take any action or steps referred to in the preceding sentence that would require registration of the issuance of any of the Shares under the Securities Act or cause the offering of any of the Shares to be integrated with other offerings.

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**Section 5.34. Manipulation of Price.** Neither the Company nor any of its officers, directors or, to the knowledge of the Company, its Affiliates has, and, to the knowledge of the Company, no Person acting on their behalf has, (i) taken, directly or indirectly, any action designed or intended to cause or to result in the stabilization or manipulation of the price of any security of the Company, or which caused or resulted in, or which would in the future reasonably be expected to cause or result in, the stabilization or manipulation of the price of any security of the Company, in each case to facilitate the sale or resale of any of the Shares, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company. Neither the Company nor any of its officers, directors or, to the knowledge of the Company, its Affiliates will during the term of this Agreement, and, to the knowledge of the Company, no Person acting on their behalf will during the term of this Agreement, take any of the actions referred to in the immediately preceding sentence.

**Section 5.35. Listing and Maintenance Requirements; DTC Eligibility.** The Common Shares are registered pursuant to Section 12(b) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Shares under the Exchange Act, nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company has not received notice from the Principal Market to the effect that the Company is not in compliance with the listing or maintenance requirements of the Principal Market. The Shares are, or will be after the Commencement Date, eligible for participation in the DTC book entry system and deposit at DTC such that they may be transferred electronically to third parties via DTC through its Deposit/Withdrawal at Custodian (“*DWAC*”) delivery system. The Company has not received notice from DTC to the effect that a suspension of, or restriction on, accepting additional deposits of the Shares, electronic trading or book-entry services by DTC with respect to the Shares is being imposed or is contemplated.

**Section 5.36. OFAC.** Neither the Company nor any of its Subsidiaries (collectively, the “*Entity*”), nor any director, officer of the Company nor, to the knowledge of the Company, any employee, agent, affiliate or representative of the Company or any director or officer of any Subsidiary, is a Person that is, or is owned or controlled by a Person that is (i) the subject of any sanctions administered or enforced by the (“*OFAC*”), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authorities, including, without limitation, designation on OFAC’s Specially Designated Nationals and Blocked Persons List or OFAC’s Foreign Sanctions Evaders List or other relevant sanctions authority (collectively, “*Sanctions*”), nor (ii) located, organized or resident in a country or territory that is the subject of Sanctions that broadly prohibit dealings with that country or territory (including, without limitation, the Crimea region of the Ukraine, Cuba, Iran, North Korea, Sudan and Syria (the “*Sanctioned Countries*”). The Entity will not, directly or indirectly, use the proceeds from the sale of Shares, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person (a) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions or is a Sanctioned Country, or (b) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the transactions contemplated by this agreement, whether as underwriter, advisor, investor or otherwise). For the past five years, the Entity has not engaged in, and is now not engaged in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions or was a Sanctioned Country.

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**Section 5.37. Information Technology; Compliance with Data Privacy Laws.**

(a) Except as described in the Commission Documents, and except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) the Company and its Subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems**") are adequate for, and operate and perform as required in connection with the operation of the business of the Company as currently conducted, and, to the Company's knowledge, are free and clear of all bugs, errors, Trojan horses, time bomb, and malware (ii) the Company and its Subsidiaries have implemented and maintained commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards designed to maintain and protect their confidential information and the integrity, continuous operation, redundancy and security of their IT Systems and data, including all "Personal Data" (defined below) and all sensitive, confidential or regulated data ("**Confidential Data**") used in connection with their businesses. "**Personal Data**" means (A) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (B) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; (C) "personal data" as defined by the European Union General Data Protection Regulation ("**GDPR**") (EU 2016/679); (D) any information which would qualify as "protected health information" under the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "**HIPAA**"); (E) any "personal information" as defined by the California Consumer Privacy Act ("**CCPA**"); and (F) any other piece of information that allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person's health or sexual orientation. Except as described in the Commission Documents, and except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (x) to the knowledge of the Company, there have been no breaches, violations, outages or unauthorized uses of or accesses to their IT Systems or Personal Data maintained or processed by the Company, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same and (y) the Company and its Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, external policies and contractual obligations relating to the privacy and security of their IT Systems, Confidential Data, and Personal Data (collectively, "**Privacy Laws**") and to the protection of such IT Systems, Confidential Data, and Personal Data from unauthorized use, access, misappropriation or modification.

(b) Except as described in the Commission Documents, and except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) to the extent required by applicable Privacy Laws, the Company has in place commercially reasonable policies and procedures relating to data privacy and security and the collection, storage, use, processing, disclosure, handling, and analysis of Personal Data and Confidential Data (the "**Policies**"); (ii) the Company has made disclosures to users or customers to the extent required by applicable Privacy Laws, and none of such disclosures made or contained in any Policy have been inaccurate or in violation of any applicable Privacy Laws; (iii) neither the Company nor any Subsidiary has received written notice of any actual or potential liability under or relating to, or actual or potential violation of, any applicable Privacy Laws, and there is no action, suit or proceeding by or before any court or governmental agency, authority or body pending or, to the Company's knowledge, threatened alleging non-compliance with any applicable Privacy Laws.

**Section 5.38. Acknowledgement Regarding Investors' Acquisition of Shares.** The Company acknowledges that while the Investors will be deemed to be a statutory "underwriter" with respect to the Transaction in accordance with interpretive positions of the Commission, the Investors are a "trader" that is not required to register with the SEC as a broker-dealer under Section 15(a) of the Securities Exchange Act of 1934. The Company further acknowledges that the Investors, and each of them, and their respective representatives are not acting as a financial advisor or fiduciary of the Company (or in any similar capacity, except as noted above) with respect to this Agreement and the transactions contemplated by the Transaction Documents, and any advice given by an Investor or any of its representatives or agents in connection therewith is merely incidental to the Investor's acquisition of the Shares. The Company further represents to the Investors that the Company's decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation of the transactions contemplated thereby by the Company and its representatives. The Company acknowledges and agrees that neither Investor has made and does not make any representations or warranties with respect to the transactions contemplated by the Transaction Documents other than those specifically set forth in Article IV.

**Section 5.40. Regulatory Filings.** Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect and except as disclosed in the Commission Documents, neither the Company nor any of its Subsidiaries has failed to file with the applicable Governmental Authorities (including, without limitation, the FDA, the EMA or any foreign, federal, state, provincial or local Governmental Authority performing functions similar to those performed by the FDA) any required filing, declaration, listing, registration, report or submission, except for such failures that, as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; except as disclosed in the Commission Documents, all such filings, declarations, listings, registrations, reports or submissions were in compliance with applicable laws when filed and no deficiencies have been asserted by any applicable regulatory authority with respect to any such filings, declarations, listings, registrations, reports or submissions that have not yet been remedied, except for any deficiencies that, as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The Company has operated and currently is, in all material respects, in compliance with the United States Federal Food, Drug, and Cosmetic Act, all applicable rules and regulations of the FDA and other federal, state, local and foreign Governmental Authority exercising comparable authority. The Company has no knowledge of any studies, tests or trials not described in the Commission Documents the results of which reasonably call into question in any material respect the results of the studies, tests and trials described in the Commission Documents.

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**Section 5.41. Clinical Studies.** The preclinical studies and tests and clinical trials described in the Commission Documents were, and, if still pending, are, being conducted in all material respects in accordance with the experimental protocols, procedures and controls pursuant to, where applicable, accepted professional and scientific standards for products or product candidates comparable to those being developed by the Company; the descriptions of such studies, tests and trials, and the results thereof, contained in the Commission Documents are accurate and complete in all material respects; the Company is not aware of any tests, studies or trials not described in the Commission Documents, the results of which reasonably call into question the results of the tests, studies and trials described in the Commission Documents; and, except as described in the Commission Documents, the Company has not received any written notice or correspondence from the FDA, the EMA or any foreign, state or local Governmental Authority exercising comparable authority or any institutional review board or comparable authority requiring the termination, suspension, clinical hold or material modification of any tests, studies or trials described in the Commission Documents.

**Section 5.42. Emerging Growth Company Status.** From the time of the initial filing of the Company's first registration statement with the Commission through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "*Emerging Growth Company*").

## **ARTICLE VI ADDITIONAL COVENANTS**

The Company covenants with the Investors, and each Investor, severally and not jointly, covenants with the Company, as follows, which covenants of one party are for the benefit of the other party, during the Investment Period (and with respect to the Company, for the period following the termination of this Agreement specified in Section 8.3 pursuant to and in accordance with Section 8.3):

**Section 6.1. Securities Compliance.** The Company shall notify the Commission and the Principal Market, if and as applicable, in accordance with their respective rules and regulations, of the transactions contemplated by the Transaction Documents, and shall take all necessary action, undertake all proceedings and obtain all registrations, permits, consents and approvals for the legal and valid issuance of the Shares to the Investor in accordance with the terms of the Transaction Documents, as applicable.

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**Section 6.2. Reservation of Common Shares.** The Company has available and the Company shall reserve and keep available at all times, free of preemptive and other similar rights of shareholders, the requisite aggregate number of authorized but unissued Common Shares to enable the Company to timely effect the issuance, sale and delivery of all Shares to be issued, sold and delivered in respect of each VWAP Purchase effected under this Agreement, at least prior to the delivery by the Company to the Investors of the applicable VWAP Purchase Notice in connection with such VWAP Purchase. Without limiting the generality of the foregoing, as of the Commencement Date the Company shall have reserved, out of its authorized and unissued Common Shares, a number of Common Shares equal to the Share Cap solely for the purpose of effecting VWAP Purchases under this Agreement. The number of Common Shares so reserved for the purpose of effecting VWAP Purchases under this Agreement may be increased from time to time by the Company from and after the Commencement Date, and such number of reserved shares may be reduced from and after the Commencement Date only by the number of Shares actually issued, sold and delivered to the Investors pursuant to any VWAP Purchase effected from and after the Commencement Date pursuant to this Agreement.

**Section 6.3. Registration and Listing.**

(i) The Company shall prepare and, as soon as practicable, and in any case no more than 20 Trading Days, after the date of this Agreement, file with the Commission an initial Registration Statement on Form S-3 (if then eligible) or Form S-1 (or any successor form) so as to permit the resale of the Registrable Securities held by the Investors under Rule 415 under the Securities Act at then prevailing market prices (and not fixed prices) (the “**Initial Registration Statement**”). The Company shall use its commercially reasonable efforts to have the Initial Registration Statement declared effective by the Commission as soon as reasonably practicable following the filing thereof with the Commission.

(ii) The Investors shall have the right to select one legal counsel to review and oversee, solely on its behalf, any registration pursuant to this Section 6.3 (“**Legal Counsel**”), which shall be Ellenoff Grossman & Schole LLP, or such other counsel as thereafter designated by the Investors. The Company shall reimburse the Investors for any the legal fees and expenses of the Legal Counsel incurred in connection with the transactions contemplated by this Section 6.3, in the amount of \$15,000.

(iii) If at any time all Registrable Securities are not covered by the Initial Registration Statement filed pursuant to this Section 6.3 or otherwise, the Company shall use its commercially reasonable efforts to file with the Commission one or more additional Registration Statements so as to cover all of the Registrable Securities not covered by such initial Registration Statement, in each case, as soon as practicable (taking into account any position of the staff of the Commission (“**Staff**”) with respect to the date on which the Staff will permit such additional Registration Statement(s) to be filed with the Commission and the rules and regulations of the Commission) (each such additional Registration Statement, a “**New Registration Statement**”). The Company shall use its commercially reasonable efforts to cause each such New Registration Statement to become effective as soon as reasonably practicable following the filing thereof with the Commission.

(iv) In no event shall the Company include any securities other than Registrable Securities on any Registration Statement pursuant to this Section 6.3 without the express written consent of the Investors prior to filing such Registration Statement with the Commission.

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(v) If the Staff or the Commission seeks to characterize any offering pursuant to a Registration Statement filed pursuant to this Agreement as constituting an offering of securities that does not permit such Registration Statement to become effective and be used for resales by the Investors on a delayed or continuous basis under Rule 415 at then-prevailing market prices (and not fixed prices), or if after the filing of any Registration Statement pursuant to this Section 6.3, the Company is otherwise required by the Staff or the Commission to reduce the number of Registrable Securities included in such Registration Statement, then the Company shall reduce the number of Registrable Securities to be included in such Registration Statement (after consultation with the Investors and Legal Counsel as to the specific Registrable Securities to be removed therefrom) until such time as the Staff and the Commission shall so permit such Registration Statement to become effective and be used as aforesaid. Notwithstanding anything in this Agreement to the contrary, if after giving effect to the actions referred to in the immediately preceding sentence, the Staff or the Commission does not permit such Registration Statement to become effective and be used for resales by the Investor on a delayed or continuous basis under Rule 415 at then-prevailing market prices (and not fixed prices), the Company shall not request acceleration of the Effective Date of such Registration Statement, the Company shall promptly (but in no event later than 48 hours) request the withdrawal of such Registration Statement pursuant to Rule 477 under the Securities Act. In the event of any reduction in Registrable Securities pursuant to this paragraph, the Company shall use its commercially reasonable efforts to file one or more New Registration Statements with the Commission in accordance with this Section 6.3 until such time as all Registrable Securities have been included in Registration Statements that have been declared effective and the Prospectuses contained therein are available for use by the Investors.

(vi) The Company shall use its commercially reasonable efforts to effect the registration of the Registrable Securities in accordance with the terms of this Agreement and the intended method of disposition thereof, and, pursuant thereto, during the term of this Agreement, the Company shall have the following obligations:

(a) Subject to Allowable Grace Periods (as defined below), the Company shall keep each Registration Statement effective (and the Prospectus contained therein available for use) pursuant to Rule 415 for resales by the Investors on a continuous basis at then-prevailing market prices (and not fixed prices) at all times until the earlier of (i) the date on which the Investors shall have sold all of the Registrable Securities covered by such Registration Statement and (ii) the date of termination of the Purchase Agreement if as of such termination date the Investors hold no Registrable Securities (or, if applicable, the date on which such securities cease to be Registrable Securities after the date of termination of the Purchase Agreement) (the “**Registration Period**”). Notwithstanding anything to the contrary contained in this Agreement, the Company shall ensure that, when filed and at all times while effective, each Registration Statement (including, without limitation, all amendments and supplements thereto) and the Prospectus (including, without limitation, all amendments and supplements thereto) used in connection with such Registration Statement shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein (in the case of Prospectuses, in the light of the circumstances in which they were made) not misleading. The Company shall submit to the Commission, as soon as reasonably practicable after the date that the Company learns that no review of a particular Registration Statement will be made by the Staff or that the Staff has no further comments on a particular Registration Statement (as the case may be), a request for acceleration of effectiveness of such Registration Statement to a time and date as soon as reasonably practicable, and in any case no later than two Trading Days, after the Company learns of such fact in accordance with Rule 461 under the Securities Act.

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(b) The Company shall use its commercially reasonable efforts to prepare and file with the Commission such amendments (including, without limitation, post-effective amendments) and supplements to each Registration Statement and the Prospectus used in connection with each such Registration Statement, which Prospectus is to be filed pursuant to Rule 424 promulgated under the Securities Act, as may be necessary to keep each such Registration Statement effective (and the Prospectus contained therein current and available for use) at all times during the Registration Period for such Registration Statement, and, during such period, comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities of the Company required to be covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the Investor. Without limiting the generality of the foregoing, the Company covenants and agrees that (i) at or before 5:30 p.m. (New York City time) on the second (2nd) Trading Day immediately following the Effective Date of the Initial Registration Statement and any New Registration Statement (or any post-effective amendment thereto), the Company shall file with the Commission in accordance with Rule 424(b) under the Securities Act the final Prospectus to be used in connection with sales pursuant to such Registration Statement (or post-effective amendment thereto), and (ii) if the transactions contemplated by any VWAP Purchase are material to the Company (individually or collectively with all other prior VWAP Purchases, the consummation of which have not previously been reported in any Prospectus Supplement filed with the Commission under Rule 424(b) under the Securities Act or in any report, statement or other document filed by the Company with the Commission under the Exchange Act), or if otherwise required under the Securities Act (or the interpretations of the Commission thereof), in each case as reasonably determined by the Company and the Investors, then, at or before 8:30 a.m., New York City time, on the first (1st) Trading Day immediately following the VWAP Purchase Date, if a VWAP Purchase Notice was properly delivered to the Investors hereunder in connection with such VWAP Purchase, the Company shall file with the Commission a Prospectus Supplement pursuant to Rule 424(b) under the Securities Act with respect to the VWAP Purchase(s), the total VWAP Purchase Price for the Shares subject to such VWAP Purchase(s) (as applicable), the applicable VWAP Purchase Price(s) for such Shares and the net proceeds that are to be (and, if applicable, have been) received by the Company from the sale of such Shares. To the extent not previously disclosed in the Prospectus or a Prospectus Supplement, the Company shall disclose in its quarterly reports on Form 10-Q and in its annual reports on Form 10-K the information described in the immediately preceding sentence relating to all VWAP Purchase(s) consummated during the relevant fiscal quarter and shall file such quarterly reports and annual reports with the Commission within the applicable time period prescribed for such report under the Exchange Act. In the case of amendments and supplements to any Registration Statement on Form S-1 or Prospectus related thereto which are required to be filed pursuant to this Agreement by reason of the Company filing a report on Form 8-K, Form 10-Q or Form 10-K or any analogous report under the Exchange Act, the Company shall have incorporated such report by reference into such Registration Statement and Prospectus, if applicable, or shall file such amendments or supplements to the Registration Statement or Prospectus with the Commission on the same day on which the Exchange Act report is filed which created the requirement for the Company to amend or supplement such Registration Statement or Prospectus, for the purpose of including or incorporating such report into such Registration Statement and Prospectus. The Company consents to the use of the Prospectus (including, without limitation, any supplement thereto) included in each Registration Statement in accordance with the provisions of the Securities Act and with the securities or "Blue Sky" laws of the jurisdictions in which the Registrable Securities may be sold by the Investor, in connection with the resale of the Registrable Securities and for such period of time thereafter as such Prospectus (including, without limitation, any supplement thereto) (or in lieu thereof, the notice referred to in Rule 173(a) under the Securities Act) is required by the Securities Act to be delivered in connection with resales of Registrable Securities.

(c) The Company shall (A) permit Legal Counsel an opportunity to review and comment upon (i) each Registration Statement at least three (3) Trading Days prior to its filing with the Commission (it being understood that such notice period has been satisfied in respect of the initial Registration Statement) and (ii) all amendments and supplements to each Registration Statement (including, without limitation, the Prospectus contained therein) (except for annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any similar or successor reports or Prospectus Supplements the contents of which is limited to that set forth in such reports) within a reasonable number of days prior to their filing with the Commission, and (B) shall reasonably consider any comments of the Investors and Legal Counsel on any such Registration Statement or amendment or supplement thereto or to any Prospectus contained therein. The Company shall promptly furnish to Legal Counsel, without charge, (i) electronic copies of any correspondence from the Commission or the Staff to the Company or its representatives relating to each Registration Statement (which correspondence shall be redacted to exclude any material, non-public information regarding the Company or any of its Subsidiaries), (ii) after the same is prepared and filed with the Commission, one (1) electronic copy of each Registration Statement and any amendment(s) and supplement(s) thereto, including, without limitation, financial statements and schedules, all documents incorporated therein by reference, if requested by the Investors or either of them, and all exhibits and (iii) upon the effectiveness of each Registration Statement, one (1) electronic copy of the Prospectus included in such Registration Statement and all amendments and supplements thereto; provided, however, the Company shall not be required to furnish any document (other than the Prospectus, which may be provided in .PDF format) to Legal Counsel to the extent such document is available on EDGAR).

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(d) The Company shall take such action as is reasonably necessary to (i) register and qualify, unless an exemption from registration and qualification applies, the resale by the Investors of the Registrable Securities covered by a Registration Statement under such other securities or “Blue Sky” laws of all applicable jurisdictions in the United States, (ii) prepare and file in those jurisdictions, such amendments (including, without limitation, post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take such other actions as may be reasonably necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; provided, however, the Company shall not be required in connection therewith or as a condition thereto to (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(e), (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction. The Company shall promptly notify Legal Counsel and the Investors of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or “Blue Sky” laws of any jurisdiction in the United States or its receipt of actual notice of the initiation or threatening of any proceeding for such purpose.

(e) The Company shall notify Legal Counsel and the Investors in writing of the happening of any event, as promptly as reasonably practicable after becoming aware of such event, as a result of which the Prospectus included in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (provided that in no event shall such notice contain any material, non-public information regarding the Company or any of its Subsidiaries), and, promptly prepare a supplement or amendment to such Registration Statement and such Prospectus contained therein to correct such untrue statement or omission and deliver one (1) electronic copy of such supplement or amendment to Legal Counsel and the Investors (or such other number of copies as Legal Counsel or the Investors may reasonably request). The Company shall also promptly notify Legal Counsel and the Investors in writing (i) when a Prospectus or any Prospectus Supplement or post-effective amendment has been filed, when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to Legal Counsel and the Investors by e-mail on the same day of such effectiveness), and when the Company receives written notice from the Commission that a Registration Statement or any post-effective amendment will be reviewed by the Commission, (ii) of any request by the Commission for amendments or supplements to a Registration Statement or related Prospectus or related information, (iii) of the Company’s reasonable determination that a post-effective amendment to a Registration Statement would be appropriate and (iv) of the receipt of any request by the Commission or any other federal or state governmental authority for any additional information relating to the Registration Statement or any amendment or supplement thereto or any related Prospectus. The Company shall respond as promptly as reasonably practicable to any comments received from the Commission with respect to a Registration Statement or any amendment thereto.

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(f) The Company shall (i) use its reasonable best efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement or the use of any Prospectus contained therein, or the suspension of the qualification, or the loss of an exemption from qualification, of any of the Registrable Securities for sale in any jurisdiction and, if such an order or suspension is issued, to obtain the withdrawal of such order or suspension at the earliest possible time and (ii) notify Legal Counsel and the Investors of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding.

(g) The Company shall hold in confidence and not make any disclosure of information concerning the Investors provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement or is otherwise required to be disclosed in such Registration Statement pursuant to the Securities Act, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other Transaction Document. The Company agrees that it shall, upon learning that disclosure of such information concerning the Investors, or either of them, is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to the Investors and allow the Investors, at the Investors' expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(h) Without limiting any obligation of the Company under the Purchase Agreement, the Company shall use its reasonable best efforts either to (i) cause all of the Registrable Securities covered by each Registration Statement to be listed on Nasdaq, or (ii) secure designation and quotation of all of the Registrable Securities covered by each Registration Statement on another Principal Market. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 6(vi)(i).

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(i) The Company shall cooperate with the Investors and, to the extent applicable, facilitate the timely preparation and delivery of Registrable Securities, as DWAC Shares, to be offered pursuant to a Registration Statement and enable such DWAC Shares to be in such denominations or amounts (as the case may be) as the Investor may reasonably request from time to time. The Investors each hereby agree that they shall cooperate with the Company, its counsel and Transfer Agent in connection with any issuances of DWAC Shares, and hereby represents, warrants and covenants to the Company that that it will resell such DWAC Shares only pursuant to the Registration Statement in which such DWAC Shares are included, in a manner described under the caption “Plan of Distribution” in such Registration Statement, and in a manner in compliance with all applicable U.S. federal and state securities laws, rules and regulations, including, without limitation, any applicable prospectus delivery requirements of the Securities Act. At the time such DWAC Shares are offered and sold pursuant to the Registration Statement, such DWAC Shares shall be free from all restrictive legends may be transmitted by the transfer agent to the Investors by crediting an account at DTC as directed in writing by each Investor.

(j) Upon the written request of an Investor, the Company shall as soon as reasonably practicable after receipt of notice from such Investor, (i) incorporate in a Prospectus Supplement or post-effective amendment such information as the Investor reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including, without limitation, information with respect to the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; (ii) make all required filings of such Prospectus Supplement or post-effective amendment after being notified of the matters to be incorporated in such Prospectus Supplement or post-effective amendment; and (iii) supplement or make amendments to any Registration Statement or Prospectus contained therein if reasonably requested by such Investor.

(k) The Company shall make generally available to its security holders (which may be satisfied by making such information available on EDGAR) not later than ninety (90) days after the close of the period covered thereby, an earnings statement (in form complying with, and in the manner provided by, the provisions of Rule 158 under the Securities Act) covering a twelve-month period beginning not later than the first day of the Company’s fiscal quarter next following the applicable Effective Date of each Registration Statement.

(l) The Company shall otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission in connection with any registration hereunder.

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(m) Notwithstanding anything to the contrary contained herein, at any time after the Effective Date of a particular Registration Statement, the Company may, upon written notice to the Investors, suspend Investors' use of any prospectus that is a part of any Registration Statement (in which event the Investors shall discontinue sales of the Registrable Securities pursuant to such Registration Statement contemplated by this Agreement, but shall settle any previously made sales of Registrable Securities) if the Company (x) is pursuing an acquisition, merger, tender offer, reorganization, disposition or other similar transaction and the Company determines in good faith that (A) the Company's ability to pursue or consummate such a transaction would be materially adversely affected by any required disclosure of such transaction in such Registration Statement or other registration statement or (B) such transaction renders the Company unable to comply with Commission requirements, in each case under circumstances that would make it impractical or inadvisable to cause any Registration Statement (or such filings) to be used by the Investors or to promptly amend or supplement any Registration Statement contemplated by this Agreement on a post effective basis, as applicable, or (y) has experienced some other material non-public event the disclosure of which at such time, in the good faith judgment of the Company, would materially adversely affect the Company (each, an "**Allowable Grace Period**"); *provided, however*, that in no event shall the Investors be suspended from selling Registrable Securities pursuant to any Registration Statement for a period that exceeds sixty (60) consecutive Trading Days or an aggregate of ninety (90) days in any three hundred and sixty-five (365)-day period; and *provided, further*, the Company shall not effect any such suspension during the three-Trading Day period following the VWAP Purchase Share Delivery Date for each VWAP Purchase. Upon disclosure of such information or the termination of the condition described above, the Company shall provide prompt notice, but in any event within one Business Day of such disclosure or termination, to the Investors and shall promptly terminate any suspension of sales it has put into effect and shall take such other reasonable actions to permit registered sales of Registrable Securities as contemplated in this Agreement with respect to the information giving rise thereto unless such material, non-public information is no longer applicable). The Company shall cause its transfer agent to deliver DWAC Shares to a transferee of the Investors in accordance with the terms of the Purchase Agreement in connection with any sale of Registrable Securities with respect to which (i) the Company has made a sale to Investors and (ii) the Investors, or either of them, have entered into a contract for sale, and delivered a copy of the Prospectus included as part of the particular Registration Statement to the extent applicable, in each case prior to the Investor's receipt of the notice of an Allowable Grace Period and for which the Investor has not yet settled.

(vi) All reasonable expenses of the Company, other than sales or brokerage commissions and fees and disbursements of counsel for, and other expenses of, the Investor, incurred in connection with registrations, filings or qualifications, including, without limitation, all registration, listing and qualifications fees, printers and accounting fees, and fees and disbursements of counsel for the Company, shall be paid by the Company.

(viii) With a view to making available to the Investor the benefits of Rule 144, the Company agrees to:

(a) use its best efforts to make and keep current public information available, as such term is used in Rule 144;

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(b) furnish to the Investors, or either of them, promptly upon request, (i) a written statement by the Company, if true, that it has complied with the reporting, submission and posting requirements of Rule 144 and the Exchange Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company with the Commission if such reports are not publicly available via EDGAR, and (iii) such other information as may be reasonably requested to permit the Investors to sell such securities pursuant to Rule 144 without registration; and

(c) take such additional action as is reasonably requested by the Investors, or either of them, to enable the Investor to sell the Registrable Securities pursuant to Rule 144, including, without limitation, delivering all such legal opinions, consents, certificates, resolutions and instructions to the Company's Transfer Agent without unreasonable delay as may be reasonably requested from time to time by the Investor.

(ix) Neither the Company nor either Investor shall assign this Agreement or any of their respective rights or obligations under this Section 6.3.

(x) No provision of this Agreement may be (i) amended other than by a written instrument signed by all parties hereto or (ii) waived other than in a written instrument signed by the party against whom enforcement of such waiver is sought. Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

(xi) Solely for purposes of this Agreement, a Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from such record owner of such Registrable Securities.

**Section 6.4. Compliance with Laws.**

(i) During the Investment Period, the Company shall comply with applicable provisions of the Securities Act and the Exchange Act, including Regulation M thereunder, applicable state securities or "Blue Sky" laws, and applicable listing rules of the Principal Market or Principal Market, in connection with the transactions contemplated by this Agreement, except as would not have a Material Adverse Effect.

(ii) Each Investor shall comply with all laws, rules, regulations and orders applicable to the performance by it of its obligations under this Agreement and its investment in the Shares, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Without limiting the foregoing, each Investor shall comply with all applicable provisions of the Securities Act and the Exchange Act, including Regulation M thereunder, and all applicable state securities or "Blue Sky" laws, in connection with the transactions contemplated by this Agreement.

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**Section 6.5. Keeping of Records and Books of Account; Due Diligence.**

(i) The Investors and the Company shall each maintain records showing the remaining Total Commitment, the remaining Aggregate Limit and the dates and VWAP Purchase Share Amount for each VWAP Purchase.

(ii) Subject to the requirements of Section 6.12, from time to time from and after the Closing Date, the Company shall make available for inspection and review by the Investors, or either of them, during normal business hours and after reasonable notice, customary documentation reasonably requested by the Investor and/or its appointed counsel or advisors to conduct due diligence; provided, however, that after the Closing Date, the Investor's continued due diligence shall not be a condition precedent to the Company's right to deliver to the Investors any VWAP Purchase Notice or the settlement thereof except to the extent expressly contemplated by this Agreement.

**Section 6.6. No Frustration; No Variable Rate Transactions.**

(i) **No Frustration.** The Company shall not enter into, announce or recommend to its shareholders any agreement, plan, arrangement or transaction in or of which the terms thereof would restrict, materially delay, conflict with or impair the ability or right of the Company to perform its obligations under the Transaction Documents to which it is a party, including, without limitation, the obligation of the Company to deliver the Shares to the Investors in respect of a VWAP Purchase not later than the VWAP Purchase Share Delivery Date. For the avoidance of doubt, nothing in this Section 6.6(i) shall in any way limit the Company's right to terminate this Agreement in accordance with Section 8.2 (subject in all cases to Section 8.3).

(ii) **No Variable Rate Transactions.** The Company shall not effect or enter into any new agreement to effect any issuance by the Company of Common Shares or Common Shares Equivalents (or a combination of units thereof) involving a Variable Rate Transaction. For the avoidance of doubt, the Company shall not be prohibited from entering into a Variable Rate Transaction other than another equity line of credit, unless a VWAP Purchase Notice has been delivered and the delivery of such Shares and the payment therefor have not been completed at such time.

**Section 6.7. Fundamental Transaction.** If a VWAP Purchase Notice has been delivered to the Investor and the transactions contemplated therein have not yet been fully settled in accordance with the terms and conditions of this Agreement, the Company shall not effect any Fundamental Transaction until the expiration of five (5) Trading Days following the date of full settlement thereof and the issuance to the Investors of all of the Shares issuable pursuant to the VWAP Purchase to which such VWAP Purchase Notice relates.

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**Section 6.8. Selling Restrictions.**

(i) Except as expressly set forth below, each Investor covenants that from and after the Closing Date through and including the Trading Day next following the expiration or termination of this Agreement as provided in Article VIII (the “***Restricted Period***”), none of the Investors any of their respective officers, or any entity managed or controlled by an Investor (collectively, the “***Restricted Persons***” and each of the foregoing is referred to herein as a “***Restricted Person***”) shall, directly or indirectly, (i) engage in any Short Sales of the Common Shares or (ii) hedging transaction, which establishes a net short position with respect to the Common Shares, with respect to each of clauses (i) and (ii) hereof, either for its own principal account or for the principal account of any other Restricted Person. Notwithstanding the foregoing, it is expressly understood and agreed that nothing contained herein shall (without implication that the contrary would otherwise be true) prohibit any Restricted Person during the Restricted Period from: (1) selling “long” (as defined under Rule 200 promulgated under Regulation SHO) the Shares; or (2) selling a number of Common Shares equal to the number of Shares that such Restricted Person is unconditionally obligated to purchase under a pending VWAP Purchase Notice but has not yet received from the Company or the Transfer Agent pursuant to this Agreement, so long as (X) such Restricted Person (or the Broker-Dealer, as applicable) delivers the Shares purchased pursuant to such VWAP Purchase Notice to the purchaser thereof or the applicable Broker-Dealer promptly upon such Restricted Person’s receipt of such Shares from the Company in accordance with Section 3.2 of this Agreement and (Y) neither the Company or the Transfer Agent shall have failed for any reason to deliver such Shares to the Investor or its Broker-Dealer so that such Shares are received by the Investor as DWAC Shares on the applicable VWAP Purchase Share Delivery Date in accordance with Section 3.2 of this Agreement, including, without limitation, within the time period specified for receipt of such Shares by the Investor or its Broker-Dealer as DWAC Shares from the Company or the Transfer Agent.

(ii) In addition to the foregoing, in connection with any sale of Shares (including any sale permitted by paragraph (i) above), each Investor shall comply in all respects with all applicable laws, rules, regulations and orders, including, without limitation, the requirements of the Securities Act and the Exchange Act.

**Section 6.9. Effective Registration Statement.** During the Investment Period, the Company shall use its reasonable best efforts to maintain the continuous effectiveness of the Initial Registration Statement and each New Registration Statement filed with the Commission under the Securities Act for the applicable Registration Period pursuant to and in accordance with this Agreement.

**Section 6.10. Blue Sky.** The Company shall take such action, if any, as is necessary by the Company in order to obtain an exemption for or to qualify the Shares for sale by the Company to the Investors pursuant to the Transaction Documents, and at the request of the Investors, the subsequent resale of Registrable Securities by the Investors, in each case, under applicable state securities or “Blue Sky” laws and shall provide evidence of any such action so taken to the Investors from time to time following the Closing Date; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 6.11, (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction.

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**Section 6.11. Non-Public Information.** Neither the Company or any of its Subsidiaries, nor any of their respective directors, officers, employees or agents shall disclose any material non-public information about the Company to the Investors during any VWAP Purchase Period, unless a simultaneous public announcement thereof is made by the Company in the manner contemplated by Regulation FD. In the event of a breach of the foregoing covenant by the Company or any of its Subsidiaries, or any of their respective directors, officers, employees and agents (as determined in the reasonable good faith judgment of the Investors) at the time the Investors are holding Shares or will receive Shares due to a pending VWAP Purchase, (i) the Investors (or either of them) shall promptly provide written notice of such breach to the Company and (ii) after such notice has been provided to the Company and, provided that the Company and the Investors shall have not concluded within 48 hours that such information does not constitute material, non-public information or the Company shall have failed to publicly disclose such material, non-public information within 48 hours following demand therefor by the Investors, or either of them, in addition to any other remedy provided herein or in the other Transaction Documents, if the Investor is holding any Shares at the time of the disclosure of material, non-public information, the Investor shall have the right to make a public disclosure with the Company's prior written consent (such consent not to be unreasonably withheld or delayed) in the form of a press release, public advertisement or otherwise, of such material, non-public information; *provided*, that prior to making any such public disclosure, the Investor shall consult with the Company and provide the Company opportunity to review and comment on such proposed disclosure. The Investors, and either of them, shall not have any liability to the Company, any of its Subsidiaries, or any of their respective directors, officers, employees, shareholders or agents, for any such disclosure.

**Section 6.12. Broker/Dealer.** The Investors shall use one or more broker-dealers to effectuate all sales, if any, of the Shares that it may purchase or otherwise acquire from the Company pursuant to the Transaction Documents, as applicable, which (or whom) shall be a DTC participant (collectively, the "**Broker-Dealer**"). The Investors shall, from time to time, provide the Company and the Transfer Agent with all information regarding the Broker-Dealer reasonably requested by the Company to effectuate the purposes of this Agreement. The Investors shall be solely responsible for all fees and commissions of the Broker-Dealer (if any), which shall not exceed customary brokerage fees and commissions and shall be responsible for designating only a DTC participant eligible to receive DWAC Shares.

**Section 6.13. Disclosure Schedule.**

(i) The Company may, from time to time, update a disclosure schedule (the "**Disclosure Schedule**") as may be required to satisfy the conditions set forth in Section 7.2(i) (to the extent such condition set forth in Section 7.2(i) relates to the condition in Section 7.1(i) as of a specific VWAP Purchase Condition Satisfaction Time). For purposes of this Section 6.14, any disclosure made in a schedule to the Compliance Certificate shall be deemed to be an update of the Disclosure Schedule. Notwithstanding anything in this Agreement to the contrary, no update to the Disclosure Schedule pursuant to this Section 6.14 shall cure any breach of a representation or warranty of the Company contained in this Agreement and made prior to the update and shall not affect any of the Investor's rights or remedies with respect thereto.

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(ii) Notwithstanding anything to the contrary contained in the Disclosure Schedule or in this Agreement, the information and disclosure contained in any Schedule of the Disclosure Schedule shall be deemed to be disclosed and incorporated by reference in any other Schedule of the Disclosure Schedule as though fully set forth in such Schedule for which applicability of such information and disclosure is readily apparent on its face. The fact that any item of information is disclosed in the Disclosure Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Except as expressly set forth in this Agreement, such information and the thresholds (whether based on quantity, qualitative characterization, dollar amounts or otherwise) set forth herein shall not be used as a basis for interpreting the terms “material” or “Material Adverse Effect” or other similar terms in this Agreement.

**Section 6.14. Delivery of Bring-Down Opinions and Compliance Certificates Upon Occurrence of Certain Events.** Within three (3) Trading Days immediately following each time the Company files (i) an annual report on Form 10-K under the Exchange Act (including any Form 10-K/A containing amended financial information or a material amendment to the previously filed Form 10-K); (ii) a quarterly report on Form 10-Q under the Exchange Act; (iii) a current report on Form 8-K containing amended financial information (other than information “furnished” pursuant to Items 2.02 or 7.01 of Form 8-K or to provide disclosure pursuant to Item 8.01 of Form 8-K relating to the reclassification of certain properties as discontinued operations in accordance with Statement of Financial Accounting Standards No. 144) under the Exchange Act; or (iv) the Initial Registration Statement, any New Registration Statement, or any supplement or post-effective amendment thereto, and in any case, not more than once per calendar quarter, the Company shall (1) deliver to the Investor a Compliance Certificate in customary form, dated as of such date, (2) cause to be furnished to the Investors opinions of Company Counsel along with a 10b-5 letter from United States Counsel, in customary form (each such opinion or letter, a “*Bring-Down Opinion*”) and (3) cause to be furnished to the Investors a comfort letter from the independent registered public accounting firm of the Company in the case of an annual report on Form 10-K (in the case of a post-effective amendment, only if such amendment contains amended or new financial information), modified, as necessary, to relate to such Registration Statement or post-effective amendment, or the Prospectus contained therein as then amended or supplemented by such Prospectus Supplement, as applicable.

## ARTICLE VII CONDITIONS TO CLOSING AND CONDITIONS TO THE SALE AND PURCHASE OF THE SHARES

**Section 7.1. Conditions Precedent to Commencement.** The right of the Company to commence delivering VWAP Purchase Notices under this Agreement, and the obligation of the Investors to accept VWAP Purchase Notices delivered to the Investors by the Company under this Agreement, are subject to the initial satisfaction, at Commencement, of each of the conditions set forth in this Section 7.1.

(i) **Accuracy of the Company’s Representations and Warranties.** The representations and warranties of the Company contained in this Agreement (a) that are not qualified by “materiality” or “Material Adverse Effect” shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of the Commencement Date with the same force and effect as if made on such date, except to the extent such representations and warranties are as of another date, in which case, such representations and warranties shall be true and correct in all material respects as of such other date and (b) that are qualified by “materiality” or “Material Adverse Effect” shall have been true and correct when made and shall be true and correct as of the Commencement Date with the same force and effect as if made on such date, except to the extent such representations and warranties are as of another date, in which case, such representations and warranties shall be true and correct as of such other date.

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(ii) **Accuracy of the Investors' Representations and Warranties**. The representations and warranties of the Investors and each of them, contained in this Agreement (a) that are not qualified by "materiality" shall be true and correct in all material respects as of the Commencement Date, except to the extent such representations and warranties are as of another date, in which case, such representations and warranties shall be true and correct in all material respects as of such other date and (b) that are qualified by "materiality" shall be true and correct as of the Commencement Date, except to the extent such representations and warranties are as of another date, in which case, such representations and warranties shall be true and correct as of such other date.

(iii) **Payment of Upfront Commitment Fee**. On or prior to the end of the Trading Day immediately following the execution of this Agreement, the Company shall have paid the Upfront Commitment Fee by issuance of pre-funded warrants to each Investor, all of which Upfront Commitment Fee shall be fully earned and non-refundable as of the date of such payment, regardless of whether any VWAP Purchases are made or settled hereunder or any subsequent termination of this Agreement.

(iv) **Performance of the Company**. The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Commencement. The Company shall deliver to the Investors on the Commencement Date a compliance certificate in customary form (the "***Compliance Certificate***").

(v) **Initial Registration Statement Effective**. The Initial Registration Statement covering the resale by the Investors of the Registrable Securities included therein required to be filed by the Company with the Commission pursuant to Section 2.3 of this Agreement shall have been declared effective under the Securities Act by the Commission, and the Investors shall be permitted to utilize the Prospectus therein to resell all of the Shares included in such Prospectus.

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(vi) **No Material Notices.** None of the following events shall have occurred and be continuing: (a) receipt of any request by the Commission or any other federal or state governmental authority for any additional information relating to the Initial Registration Statement, the Prospectus contained therein or any Prospectus Supplement thereto, or for any amendment of or supplement to the Initial Registration Statement, the Prospectus contained therein or any Prospectus Supplement thereto; (b) the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of the Initial Registration Statement or prohibiting or suspending the use of the Prospectus contained therein or any Prospectus Supplement thereto, or of the suspension of qualification or exemption from qualification of the Shares for offering or sale in any jurisdiction, or the initiation or contemplated initiation of any proceeding for such purpose; or (c) the occurrence of any event or the existence of any condition or state of facts, which makes any statement of a material fact made in the Initial Registration Statement, the Prospectus contained therein or any Prospectus Supplement thereto untrue or which requires the making of any additions to or changes to the statements then made in the Initial Registration Statement, the Prospectus contained therein or any Prospectus Supplement thereto in order to state a material fact required by the Securities Act to be stated therein or necessary in order to make the statements then made therein (in the case of the Prospectus or any Prospectus Supplement, in the light of the circumstances under which they were made) not misleading, or which requires an amendment to the Initial Registration Statement or a supplement to the Prospectus contained therein or any Prospectus Supplement thereto to comply with the Securities Act or any other law. The Company shall have no knowledge of any event that would reasonably be expected to have the effect of causing the suspension of the effectiveness of the Initial Registration Statement or the prohibition or suspension of the use of the Prospectus contained therein or any Prospectus Supplement thereto in connection with the resale of the Registrable Shares by the Investor.

(vii) **No Suspension of Trading in or Notice of Delisting of Common Shares.** Trading in the Common Shares shall not have been suspended by the Commission, the Principal Market or FINRA (except for any suspension of trading of limited duration agreed to by the Company, which suspension shall be terminated prior to the Commencement Date), the Company shall not have received any final and non-appealable notice that the listing or quotation of the Common Shares on the Principal Market shall be terminated on a date certain (unless, prior to such date certain, the Common Shares is listed or quoted on any other Principal Market), nor shall there have been imposed any suspension of, or restriction on, accepting additional deposits of the Common Shares, electronic trading or book-entry services by DTC with respect to the Common Shares that is continuing, the Company shall not have received any notice from DTC to the effect that a suspension of, or restriction on, accepting additional deposits of the Common Shares, electronic trading or book-entry services by DTC with respect to the Common Shares is being imposed or is contemplated (unless, prior to such suspension or restriction, DTC shall have notified the Company in writing that DTC has determined not to impose any such suspension or restriction).

(viii) **Compliance with Laws.** The Company shall have complied with all applicable federal, state and local governmental laws, rules, regulations and ordinances in connection with the execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the Company shall have obtained all permits and qualifications required by any applicable state securities or "Blue Sky" laws for the offer and sale of the Shares by the Company to the Investors and the subsequent resale of the Registrable Securities by the Investors (or shall have the availability of exemptions therefrom).

(ix) **No Injunction.** No statute, regulation, order, decree, writ, ruling or injunction shall have been enacted, entered, promulgated, threatened or endorsed by any court or governmental authority of competent jurisdiction which prohibits the consummation of or which would materially modify or delay any of the transactions contemplated by the Transaction Documents.

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(x) **No Proceedings or Litigation**. No action, suit or proceeding before any arbitrator or any court or governmental authority shall have been commenced, and no inquiry or investigation by any governmental authority shall have been commenced, against the Company or any Subsidiary, or any of the officers, directors or Affiliates of the Company or any Subsidiary, seeking to restrain, prevent or change the transactions contemplated by the Transaction Documents, or seeking material damages in connection with such transactions.

(xi) **Listing of Shares**. All of the Shares that have been and may be issued pursuant to this Agreement shall have been approved for listing or quotation on the Principal Market as of the Commencement Date, subject only to notice of issuance.

(xii) **No Material Adverse Effect**. No condition, occurrence, state of facts or event constituting a Material Adverse Effect shall have occurred and be continuing.

(xiii) **No Bankruptcy Proceedings**. No Person shall have commenced a proceeding against the Company pursuant to or within the meaning of any Bankruptcy Law. The Company shall not have, pursuant to or within the meaning of any Bankruptcy Law, (a) commenced a voluntary case, (b) consented to the entry of an order for relief against it in an involuntary case, (c) consented to the appointment of a Custodian of the Company or for all or substantially all of its property, or (d) made a general assignment for the benefit of its creditors. A court of competent jurisdiction shall not have entered an order or decree under any Bankruptcy Law that (I) is for relief against the Company in an involuntary case, (II) appoints a Custodian of the Company or for all or substantially all of its property, or (III) orders the liquidation of the Company or any of its Subsidiaries.

(xiv) **Delivery of Commencement Irrevocable Transfer Agent Instructions and Opinion of Counsel**. The Commencement Irrevocable Transfer Agent Instructions shall have been executed by the Company and delivered to the Company's transfer agent and an opinion of United States Counsel relating to the Initial Registration Statement and the removal of restrictive legends from the Shares shall have been executed by Company Counsel and delivered to the Transfer Agent.

(xv) **Reservation of Shares**. As of the Commencement Date, the Company shall have reserved out of its authorized and unissued Common Shares a number of Common Shares equal to the Share Cap solely for the purpose of effecting VWAP Purchases under this Agreement.

(xvi) **Opinions of Company Counsel**. On the Commencement Date, the Investors shall have received the opinions of Company Counsel, along with a 10b-5 letter from Company Counsel, in customary form.

(xvii) **Comfort Letter of Accountant**. On the Commencement Date, the Investors shall have received from the Accountant or a successor independent registered public accounting firm for the Company, a letter dated the Commencement Date addressed to the Investors, in form and substance reasonably satisfactory to the Investors with respect to the audited and unaudited financial statements and certain financial information contained in the Registration Statement and the Prospectus, and any Prospectus Supplement, except that the specific date referred to therein for the carrying out of procedures shall be no more than three Business Days prior to the Commencement Date.

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**Section 7.2. Conditions Precedent to VWAP Purchases after Commencement Date.** The right of the Company to deliver VWAP Purchase Notices under this Agreement after the Commencement Date, and the obligation of the Investors to accept VWAP Purchase Notices under this Agreement after the Commencement Date, are subject to the satisfaction of each of the conditions set forth in this Section 7.2 at the applicable VWAP Purchase Commencement Time for the VWAP Purchase to be effected pursuant to the applicable VWAP Purchase Notice timely delivered by the Company to the Investors in accordance with this Agreement (each such time, a “*VWAP Purchase Condition Satisfaction Time*”).

(i) **Satisfaction of Certain Prior Conditions.** Each of the conditions set forth in subsections (i), (ii), (vi) through (xiii), (xv) and (xviii) set forth in Section 7.1 shall be satisfied at the applicable VWAP Purchase Condition Satisfaction Time after the Commencement Date (with the terms “Commencement” and “Commencement Date” in the conditions set forth in subsections (i) and (ii) of Section 7.1 replaced with “applicable VWAP Purchase Condition Satisfaction Time”); provided, however, that the Company shall not be required to deliver the Compliance Certificate after the Commencement Date, except as provided in Section 6.15 and Section 7.2(x).

(ii) **Initial Registration Statement Effective.** The Initial Registration Statement covering the resale by the Investors of the Registrable Securities included therein required to be filed by the Company with the Commission pursuant to Section 2.3 of this Agreement, and any post-effective amendment thereto required to be filed by the Company with the Commission after the Commencement Date and prior to the applicable VWAP Purchase Date shall have been declared and shall remain effective under the Securities Act by the Commission, and the Investors shall be permitted to (and to continue to) utilize the Prospectus therein, and any Prospectus Supplement thereto, to resell all of the Shares included in the Initial Registration Statement, and any post-effective amendment thereto, that have been issued and sold to the Investors hereunder pursuant to all VWAP Purchase Notices delivered by the Company to the Investors prior to such applicable VWAP Purchase Date, and all of the Shares included in the Initial Registration Statement, and any post-effective amendment thereto, that are issuable pursuant to the applicable VWAP Purchase Notice delivered by the Company to the Investors with respect to a VWAP Purchase to be effected hereunder on such applicable VWAP Purchase Date.

(iii) **Any Required New Registration Statement Effective.** Any New Registration Statement covering the resale by the Investors of the Registrable Securities included therein, and any post-effective amendment thereto, required to be filed by the Company with the Commission pursuant to this Agreement after the Commencement Date and prior to the applicable VWAP Purchase Date, in each case shall have been declared effective under the Securities Act by the Commission and shall remain effective for the applicable Registration Period, and the Investors shall be permitted to utilize the Prospectus therein, and any Prospectus Supplement thereto, to resell (a) all of the Shares included in such New Registration Statement, and any post-effective amendment thereto, that have been issued and sold to the Investors hereunder pursuant to all VWAP Purchase Notices delivered by the Company to the Investors prior to such applicable VWAP Purchase Date and (b) all of the Shares included in such new Registration Statement, and any post-effective amendment thereto, that are issuable pursuant to the applicable VWAP Purchase Notice delivered by the Company to the Investors with respect to a VWAP Purchase to be effected hereunder on such applicable VWAP Purchase Date.

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(iv) **Delivery of Subsequent Irrevocable Transfer Agent Instructions and Opinion of Counsel**. With respect to any post-effective amendment to the Initial Registration Statement, any New Registration Statement or any post-effective amendment to any New Registration Statement, in each case declared effective by the Commission after the Commencement Date, the Company shall have delivered or caused to be delivered to the Transfer Agent (a) irrevocable instructions in the form substantially similar to the Commencement Irrevocable Transfer Agent Instructions executed by the Company and acknowledged in writing by the Transfer Agent and (b) an opinion of Company Counsel relating to the removal of restrictive legends from the Shares, in each case modified as necessary to refer to such Registration Statement or post-effective amendment and the Registrable Securities included therein, to issue the Registrable Securities included therein as DWAC Shares in accordance with the terms of this Agreement.

(v) **No Material Notices**. None of the following events shall have occurred and be continuing: (a) receipt of any request by the Commission or any other federal or state governmental authority for any additional information relating to the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto, or for any amendment of or supplement to the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto; (b) the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or prohibiting or suspending the use of the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto, or of the suspension of qualification or exemption from qualification of the Shares for offering or sale in any jurisdiction, or the initiation or contemplated initiation of any proceeding for such purpose; or (c) the occurrence of any event or the existence of any condition or state of facts, which makes any statement of a material fact made in the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto untrue or which requires the making of any additions to or changes to the statements then made in the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto in order to state a material fact required by the Securities Act to be stated therein or necessary in order to make the statements then made therein (in the case of the Prospectus or any Prospectus Supplement, in the light of the circumstances under which they were made) not misleading, or which requires an amendment to the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto to comply with the Securities Act or any other law (other than the transactions contemplated by the applicable VWAP Purchase Notice delivered by the Company to the Investors with respect to a VWAP Purchase to be effected hereunder on such applicable VWAP Purchase Date and the settlement thereof). The Company shall have no knowledge of any event that would reasonably be expected to have the effect of causing the suspension of the effectiveness of the Initial Registration Statement or any post-effective amendment thereto, any New Registration Statement or any post-effective amendment thereto, or the prohibition or suspension of the use of the Prospectus contained in any of the foregoing or any Prospectus Supplement thereto in connection with the resale of the Registrable Securities by the Investors.

(vi) **Other Commission Filings**. The final Prospectus included in any post-effective amendment to the Initial Registration Statement, and any Prospectus Supplement thereto, required to be filed by the Company with the Commission pursuant to Section 2.3 after the Commencement Date and prior to the applicable VWAP Purchase Date, shall have been filed with the Commission in accordance with Section 2.3. The final Prospectus included in any New Registration Statement and in any post-effective amendment thereto, and any Prospectus Supplement thereto, required to be filed by the Company with the Commission pursuant to Section 2.3 after the Commencement Date and prior to the applicable VWAP Purchase Date, shall have been filed with the Commission in accordance with Section 2.3. All reports, schedules, registrations, forms, statements, information and other documents required to have been filed by the Company with the Commission pursuant to the reporting requirements of the Exchange Act, including all material required to have been filed pursuant to Section 13(a) or 15(d) of the Exchange Act, after the Commencement Date and prior to the applicable VWAP Purchase Date, shall have been filed with the Commission.

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(vii) **No Suspension of Trading in or Notice of Delisting of Common Shares.** Trading in the Common Shares shall not have been suspended by the Commission, the Principal Market or the FINRA (except for any suspension of trading of limited duration agreed to by the Company, which suspension shall be terminated prior to the applicable VWAP Purchase Date), the Company shall not have received any final and non-appealable notice that the listing or quotation of the Common Shares on the Principal Market shall be terminated on a date certain (unless, prior to such date certain, the Common Shares is listed or quoted on any other Principal Market), nor shall there have been imposed any suspension of, or restriction on, accepting additional deposits of the Common Shares, electronic trading or book-entry services by DTC with respect to the Common Shares that is continuing, the Company shall not have received any notice from DTC to the effect that a suspension of, or restriction on, accepting additional deposits of the Common Shares, electronic trading or book-entry services by DTC with respect to the Common Shares is being imposed or is contemplated (unless, prior to such suspension or restriction, DTC shall have notified the Company in writing that DTC has determined not to impose any such suspension or restriction).

(viii) **Certain Limitations.** The issuance and sale of the Shares issuable pursuant to the applicable VWAP Purchase Notice shall not (a) exceed the applicable VWAP Purchase Share Amount, (b) cause the Aggregate Limit or the Beneficial Ownership Limitation to be exceeded, or (c) cause the Exchange Cap (to the extent applicable under Section 3.3) to be exceeded, unless in the case of this clause (c), unless the Company's shareholders have theretofore approved the issuance of Common Shares under this Agreement in excess of the Exchange Cap in accordance with the applicable rules of the Principal Market, unless "average price" of all purchases under the Purchase Agreement equals or exceeds the Minimum Price, adjusted to take into account the Commitment Shares such that issuances and sales of Common Stock under this Agreement are deemed "at market" pursuant to the corporate governance rules of the Principal Market.

(ix) **Shares Authorized and Delivered.** All of the Shares issuable pursuant to the applicable VWAP Purchase Notice shall have been duly authorized by all necessary corporate action of the Company. All Shares relating to all prior VWAP Purchase Notices required to have been received by the Investor as DWAC Shares under this Agreement prior to the applicable VWAP Purchase Condition Satisfaction Time for the applicable VWAP Purchase shall have been delivered to the Investor as DWAC Shares in accordance with this Agreement.

(x) **Bring-Down Opinions of Company Counsel, Bring-Down Comfort Letters and Compliance Certificates.** The Investors shall have received (a) all Bring-Down Opinions from Company Counsel for which the Company was obligated to instruct its Company Counsel to deliver to the Investors prior to the applicable VWAP Purchase Condition Satisfaction Time for the applicable VWAP Purchase, (b) all Bring-Down comfort letters provided by the Company's auditors and delivered to the Investors prior to the applicable VWAP Purchase Condition Satisfaction Time for the applicable VWAP Purchase and (c) all Compliance Certificates from the Company that the Company was obligated to deliver to the Investors prior to the applicable VWAP Purchase Condition Satisfaction Time for the applicable VWAP Purchase, in each case in accordance with Section 6.15.

(xi) **Material Non-Public Information.** Neither the Company nor, in each Investor's sole discretion, the Investors, shall be in possession of any material non-public information concerning the Company.

## ARTICLE VIII TERMINATION

**Section 8.1. Automatic Termination.** Unless earlier terminated as provided hereunder, this Agreement shall terminate automatically on the earliest to occur of (i) the first day of the month next following the 36-month anniversary of the Effective Date of the Initial Registration Statement, (ii) the date on which the Investors shall have purchased the Total Commitment worth of Shares pursuant to this Agreement, (iii) the date on which the Common Shares shall have failed to be listed or quoted on the Principal Market or any other Principal Market, (iv) the thirtieth (30<sup>th</sup>) Trading Day next following the date on which, pursuant to or within the meaning of any Bankruptcy Law, the Company commences a voluntary case or any Person commences a proceeding against the Company, in each case that is not discharged or dismissed prior to such thirtieth (30<sup>th</sup>) Trading Day, and (v) the date on which, pursuant to or within the meaning of any Bankruptcy Law, a Custodian is appointed for the Company or for all or substantially all of its property, or the Company makes a general assignment for the benefit of its creditors.

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**Section 8.2. Other Termination.** Subject to Section 8.3, the Company may terminate this Agreement after the Commencement Date effective upon ten (10) Trading Days' prior written notice to the Investors in accordance with Section 10.4; provided, however, that (i) the Company shall have paid the Upfront Commitment Fee to the Investors required to be paid pursuant to Section 10.1(ii) of this Agreement, and (ii) prior to issuing any press release, or making any public statement or announcement, with respect to such termination, the Company shall consult with the Investors and their counsel on the form and substance of such press release or other disclosure. Subject to Section 8.3, this Agreement may be terminated at any time by the mutual written consent of the parties, effective as of the date of such mutual written consent unless otherwise provided in such written consent. Subject to Section 8.3, the Investors shall have the right to terminate this Agreement effective upon ten (10) Trading Days' prior written notice to the Company, which notice shall be made in accordance with Section 10.4 of this Agreement, if: (a) a Fundamental Transaction shall have occurred; (b) the Company is in breach or default in any material respect of any of its covenants and agreements in this Purchase Agreement, and, if such breach or default is capable of being cured, such breach or default is not cured within fifteen (15) Trading Days after notice of such breach or default is delivered to the Company pursuant to Section 10.4 of this Agreement; (c) while a Registration Statement, or any post-effective amendment thereto, is required to be maintained effective pursuant to the terms of this Agreement and the Investor holds any Registrable Securities, the effectiveness of such Registration Statement, or any post-effective amendment thereto, lapses for any reason (including, without limitation, the issuance of a stop order by the Commission) or such Registration Statement or any post-effective amendment thereto, the Prospectus contained therein or any Prospectus Supplement thereto otherwise becomes unavailable to the Investor for the resale of all of the Registrable Securities included therein in accordance with the terms of this Agreement, and such lapse or unavailability continues for a period of forty-five (45) consecutive Trading Days or for more than an aggregate of ninety (90) Trading Days in any three hundred and sixty-five (365)-day period, other than due to acts of the Investor; (d) trading in the Common Shares on the Principal Market (or if the Common Shares is then listed on a Principal Market, trading in the Common Shares on such Principal Market) shall have been suspended and such suspension continues for a period of five (5) consecutive Trading Days; or (e) the Company is in material breach or default of any of its covenants and agreements contained in this Agreement, and, if such breach or default is capable of being cured, such breach or default is not cured within fifteen (15) Trading Days after notice of such breach or default is delivered to the Company pursuant to Section 10.4 of this Agreement. Unless notification thereof is required elsewhere in this Agreement (in which case such notification shall be provided in accordance with such other provision), the Company shall promptly (but in no event later than twenty-four (24) hours) notify the Investors (and, if required under applicable law, including, without limitation, Regulation FD promulgated by the Commission, or under the applicable rules and regulations of the Principal Market (or if the Common Shares is then listed on a Principal Market, under the applicable rules and regulations of such Principal Market), the Company shall publicly disclose such information in accordance with Regulation FD and the applicable rules and regulations of the Principal Market (or such Principal Market, as applicable)) upon becoming aware of any of the events set forth in the immediately preceding sentence.

**Section 8.3. Effect of Termination.** In the event of termination by the Company or the Investors (other than by mutual termination) pursuant to Section 8.2, written notice thereof shall forthwith be given to the other party as provided in Section 10.4 and the transactions contemplated by this Agreement shall be terminated without further action by either party. If this Agreement is terminated as provided in Section 8.1 or Section 8.2, this Agreement shall become void and of no further force and effect, except that (i) the provisions of Article V (Representations, Warranties and Covenants of the Company), Article IX (Indemnification), Article X (Miscellaneous) and this Article VIII (Termination) shall remain in full force and effect indefinitely notwithstanding such termination, and, (ii) so long as an Investor owns any Shares, the covenants and agreements of the Company contained in Article VI (Additional Covenants) shall remain in full force and notwithstanding such termination for a period of thirty (30) days following such termination. Notwithstanding anything in this Agreement to the contrary, no termination of this Agreement by any party shall (i) become effective prior to the second (2nd) Trading Day immediately following the date on which the purchase of Shares by the Investors pursuant to any pending VWAP Purchase has been fully settled, including, without limitation, the delivery by the Company to the Investors of all Shares purchased by the Investors pursuant to such pending VWAP Purchase as DWAC Shares on the applicable VWAP Purchase Share Delivery Date therefor, and the delivery by the Investors to the Company of the aggregate VWAP Purchase Price payable by the Investors for such Shares, in each case in accordance with the settlement procedures set forth in Section 3.2 of this Agreement (it being hereby acknowledged and agreed that no termination of this Agreement shall limit, alter, modify, change or otherwise affect any of the Company's or the Investors' rights or obligations under the Transaction Documents with respect to any pending VWAP Purchase that has not fully settled, and that the parties shall fully perform their respective obligations with respect to any such pending VWAP Purchase under the Transaction Documents), (ii) limit, alter, modify, change or otherwise affect the Company's or the Investors' rights or obligations under this Agreement as they relate to the Initial Registration Statement or the New Registration Statement and the maintenance of their continued effectiveness, all of which shall survive any such termination, or (iii) affect the Upfront Commitment Fee payable to the Investors pursuant to Section 10.1(ii) it being hereby acknowledged and agreed that the entire amount of the Upfront Commitment Fee shall be fully earned by the Investors and shall be non-refundable as of the Upfront Determination Date, regardless of whether any VWAP Purchases are made or settled hereunder or any subsequent termination of this Agreement. Nothing in this Section 8.3 shall be deemed to release the Company or the Investors from any liability for any breach or default under this Agreement or any of the other Transaction Documents to which it is a party, or to impair the rights of the Company and the Investors to compel specific performance by the other party of its obligations under this Agreement or any of the other Transaction Documents to which it is a party.

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**ARTICLE IX  
INDEMNIFICATION**

**Section 9.1. Indemnification of Investors.** In consideration of the Investors' execution and delivery of this Agreement and acquiring the Shares hereunder and in addition to all of the Company's other obligations under the Transaction Documents to which it is a party, subject to the provisions of this Section 9.1, the Company shall indemnify and hold harmless the Investors, each of them, each of their respective directors, officers, shareholders, members, partners, employees, representatives and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding the lack of such title or any other title) and each Person, if any, who controls an Investor within the meaning of the Securities Act or the Exchange Act) and each of the directors, officers, shareholders, members, partners, employees, agents, and representatives (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding the lack of such title or any other title) of such controlling person (each, an "**Investor Party**"), from and against all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses (including all judgments, amounts paid in settlement, court costs, reasonable attorneys' fees and costs of defense and investigation) (collectively, "**Damages**") that any Investor Party has suffered or incurred (a) as a result of, relating to or arising out of, or based upon any untrue statement or alleged untrue statement of a material fact contained in any Commission Document (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of any untrue statement or alleged untrue statement of a material fact included in any Commission Document, or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this indemnity in (a) shall not apply to any loss, liability, claim, damage or expense to the extent arising out of an untrue statement or omission, or alleged untrue statement or omission in a Commission Document, made in reliance upon and in conformity with information furnished in writing to the Company by the Investor for the Company's express use in connection with the preparation of the Registration Statement, Prospectus or Prospectus Supplement or any such amendment thereof or supplement thereto (it being hereby acknowledged and agreed that the written information set forth on Exhibit B to this Agreement is the only written information furnished to the Company by or on behalf of each of the Investors expressly for use in any Registration Statement, Prospectus or Prospectus Supplement), (b) to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any Governmental Authority, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that any such settlement is effected with the written consent of the Company, which consent shall not unreasonably be delayed, conditioned or withheld, (c) in investigating, preparing or defending against any litigation, or any investigation or proceeding by any Governmental Authority, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission (whether or not a party), to the extent that any such expense is not paid under (a) or (b) above, (d) as a result of, relating to or arising out of any breach by the Company of its representations, warranties, covenants or agreements under this Agreement, or (e) as a result of, relating to or arising out of any other action, suit, claim or proceeding against an Investor Party arising out of or otherwise in connection with the Transaction Documents (except in the case of subsection (e), solely to the extent any Damage is determined by a court of competent jurisdiction, not subject to further appeal, to have resulted primarily and directly from the bad faith or gross negligence of such Investor Party).

The Company shall reimburse any Investor Party promptly upon demand (with accompanying presentation of documentary evidence) for all reasonable legal and other costs and expenses reasonably incurred by such Investor Party in connection with (i) any action, suit, claim or proceeding, whether at law or in equity, to enforce compliance by the Company with any provision of the Transaction Documents or (ii) any other any action, suit, claim or proceeding, whether at law or in equity, with respect to which it is entitled to indemnification under this Section 9.1. To the extent that the foregoing undertakings by the Company set forth in this Section 9.1 may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Damages which is permissible under applicable law, provided that in no event shall the Investor be obligated to contribute any amount in excess of the fees it actually receives pursuant to this Agreement.

**Section 9.2. Indemnification of the Company.** In consideration of the Company's execution and delivery of this Agreement and sale of the Shares hereunder and in addition to all of the Investor's other obligations under the Transaction Documents to which it is a party, subject to the provisions of this Section 9.2, the Investors, jointly and severally, shall indemnify and hold harmless the Company, its affiliates, each of their respective directors, officers, shareholders, members, partners, employees, representatives and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding the lack of such title or any other title) and each Person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act) and each of the directors, officers, shareholders, members, partners, employees, agents, and representatives (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding the lack of such title or any other title) of such controlling person (each, a "**Company Party**"), from and against Damages that any Company Party may suffer or incur in connection with the claims described in clauses (a), (b), (c), (d) and (e) of Section 9.1; provided that, such indemnity shall only be required if the Damages occurred as a result of an untrue statement or omission, or alleged untrue statement or omission in a Commission Document, made in reliance upon and in conformity with information furnished in writing to the Company by the Investor for the Company's express for use in connection with the preparation of the Registration Statement, Prospectus or Prospectus Supplement or any such amendment thereof or supplement thereto (it being hereby acknowledged and agreed that the written information set forth in a customary selling shareholder questionnaire is the only written information furnished to the Company by or on behalf of each Investor expressly for use in any Registration Statement, Prospectus or Prospectus Supplement).

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### **Section 9.3. Indemnification Procedures.**

(a) Promptly after an Investor Party receives notice of a claim or the commencement of an action for which the Investor Party intends to seek indemnification under Section 9.1, the Investor Party will notify the Company in writing of the claim or commencement of the action, suit or proceeding; provided, however, that failure to notify the Company will not relieve the Company from liability under Section 9.1, unless and solely to the extent it has been materially prejudiced by the failure to give such notice as evidenced by the forfeiture of by the Company of substantive rights or defenses. The Company will be entitled to participate in the defense of any claim, action, suit or proceeding as to which indemnification is being sought, and if the Company acknowledges in writing the obligation to indemnify the Investor Party against whom the claim or action is brought, the Company may (but will not be required to) assume the defense against the claim, action, suit or proceeding with counsel satisfactory to it. After the Company notifies the Investor Party that the Company wishes to assume the defense of a claim, action, suit or proceeding, the Company will not be liable for any further legal or other expenses incurred by the Investor Party in connection with the defense against the claim, action, suit or proceeding unless (1) the employment of counsel by the Investor Party has been authorized in writing by the Company, (2) the Investor Party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or another Investor Party that are different from or in addition to those available to the Company, (3) a conflict or potential conflict exists (based on advice of counsel to the Investor Party) between an Investor Party and the Company (in which case the Company will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the Company has not in fact employed counsel to assume the defense of such action or counsel reasonably satisfactory to the indemnified party, in each case, within a reasonable time after receiving notice of the commencement of the action; in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the Company. It is understood that the Company shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm (plus local counsel) admitted to practice in such jurisdiction at any one time for all such similarly situated Investor Parties. The Company will not be liable for any settlement of any action effected without its prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned. The Company shall not, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding relating to the matters contemplated by this section (whether or not any indemnified party is a party thereto), unless such settlement, compromise or consent (1) includes an express and unconditional release of each indemnified party, in form and substance reasonably satisfactory to such indemnified party, from all liability arising out of such litigation, investigation, proceeding or claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(b) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in the foregoing paragraphs of this Article IX for any reason is held to be unavailable or insufficient to hold an Investor Party harmless, the Company and the Investor Party will contribute to the total losses, claims, liabilities, expenses and damages (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) to which the Company and the Investor Party may be subject in such proportion as shall be appropriate to reflect the relative benefits received by the Company on the one hand and the respective Investors on the other hand. The relative benefits received by the Company on the one hand and the Investor Party on the other hand shall be deemed to be in the same proportion as the total net proceeds from the aggregate of all VWAP Purchase Amounts (before deducting expenses) received by the Company bear to the total compensation received by the respective Investors from the Company pursuant to this Agreement. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and the Investor Party, on the other hand, with respect to the statements or omission that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to such offering. Such relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Investor Party, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Investor Party agree that it would not be just and equitable if contributions pursuant to this Section 9.3(b) were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, liability, expense, or damage, or action in respect thereof, referred to above in this Section 9.3(b) shall be deemed to include, for the purpose of this Section 9.3(b), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim to the extent consistent with Section 9.3(a) hereof. Notwithstanding the foregoing provisions of this Section 9.3(b), the Investors, and either of them, shall not be required to contribute any amount in excess of the commissions received by it under this Agreement and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 9.3(b), any person who controls a party to this Agreement within the meaning of the Securities Act, any affiliates of the Investor Party and any officers, directors, partners, employees or agents of the Investor Party or any of its affiliates, will have the same rights to contribution as that party, and each director of the Company and each officer of the Company who signed the Registration Statement will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against such party in respect of which a claim for contribution may be made under this Section 9.3(b), will notify any such party or parties from whom contribution may be sought, but the omission to so notify will not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 9.3(b) except to the extent that the failure to so notify such other party materially prejudiced the substantive rights or defenses of the party from whom contribution is sought. No party will be liable for contribution with respect to any action or claim settled without its written consent if such consent is required pursuant to Section 9.3(a) hereof.

(c) The Company Party shall provide equivalent notice to the Investors in the case the Company seeks indemnification or contribution from the Investor pursuant to Section 9.2.

The remedies provided for in this Article IX are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Investor Party at law or in equity.

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**ARTICLE X  
MISCELLANEOUS**

**Section 10.1. Certain Fees and Expenses; Upfront Commitment Fee; Commencement Irrevocable Transfer Agent Instructions.**

(i) **Certain Fees and Expenses.** Each party shall bear its own fees and expenses related to the transactions contemplated by this Agreement, except that the Company will reimburse the reasonable and documented fees and disbursements of legal counsel to the Investors in the amount of \$25,000 in connection with the entry into this Agreement and \$5,000 per fiscal quarter in connection with the Investor's ongoing due diligence and review of deliverables subject to Section 6.15. The Company shall pay all U.S. federal, state and local stamp and other similar transfer and other taxes (other than income taxes) and duties levied in connection with issuance of the Shares pursuant hereto.

(ii) **Upfront Commitment Fee.** In consideration for the Investors' execution and delivery of this Agreement on or prior to the end of the Trading Day following the execution of this Agreement, the Company shall pay to the Investors the Upfront Commitment Fee in the form of the pre-funded warrant. For the avoidance of doubt, the entire amount of the Upfront Commitment Fee shall be fully earned by the Investors and shall be non-refundable as of the Upfront Determination Date, regardless of whether any VWAP Purchases are made or settled hereunder or any subsequent termination of this Agreement.

(iii) **Irrevocable Transfer Agent Instructions; Opinion of Counsel.** On the Effective Date of the Initial Registration Statement and prior to Commencement, the Company shall deliver or cause to be delivered to its Transfer Agent (and thereafter, shall deliver or cause to be delivered to any subsequent transfer agent of the Company), (i) irrevocable instructions executed by the Company and delivered to the Company's transfer agent (the "***Commencement Irrevocable Transfer Agent Instructions***") directing the Transfer Agent to issue to the Investors or their respective designated Broker-Dealer at which the account or accounts to be credited with the Shares being purchased by each Investor are maintained any Registrable Securities included in the Initial Registration Statement as DWAC Shares, if and when such Registrable Securities are issued in accordance with this Agreement and (ii) an opinion of Company Counsel as contemplated by this Agreement relating to the Initial Registration Statement and the removal of restrictive legends from the Shares. With respect to any post-effective amendment to the Initial Registration Statement, any New Registration Statement or any post-effective amendment to any New Registration Statement, in each case declared effective by the Commission after the Commencement Date, the Company shall deliver or cause to be delivered to its Transfer Agent (and thereafter, shall deliver or cause to be delivered to any subsequent transfer agent of the Company) (i) irrevocable instructions in the form substantially similar to the Commencement Irrevocable Transfer Agent Instructions executed by the Company and acknowledged in writing by the Transfer Agent and (ii) an opinion of United States Counsel, in each case modified as necessary to refer to such Registration Statement or post-effective amendment and the Registrable Securities included therein, to issue the Registrable Securities included therein as DWAC Shares in accordance with the terms of this Agreement. For the avoidance of doubt, all Shares to be issued in respect of any VWAP Purchase Notice delivered to the Investor pursuant to this Agreement shall be issued to the Investors in accordance with Section 3.2 by crediting the Investors' accounts at DTC as DWAC Shares, and the Company shall not take any action or give instructions to any transfer agent of the Company otherwise. The Company represents and warrants to the Investor that, while this Agreement is effective, no instruction other than those referred to in this Section 10.1(iii) will be given by the Company to its Transfer Agent, or any successor transfer agent of the Company, with respect to the Shares from and after Commencement, and the Registrable Securities covered by the Initial Registration Statement or any post-effective amendment thereof, or any New Registration Statement or post-effective amendment thereof, as applicable, shall otherwise be freely transferable on the books and records of the Company and no stop transfer instructions shall be maintained against the transfer thereof. The Company agrees that if the Company fails to fully comply with the provisions of this Section 10.1(iii) within three (3) Trading Days after the date on which the Investors have provided any deliverables that the Investors or either of them may be required to provide to the Company or its Transfer Agent (if any), the Company shall, at such Investor's written instruction, purchase from the Investor all Common Shares purchased or acquired by the Investor pursuant to this Agreement that contain any restrictive legend or that have any stop transfer orders maintained that prohibit or impede the transfer thereof in any respect at the greater of (i) the purchase price paid by the Investor for such Common Shares (as applicable) and (ii) the Closing Sale Price of the Common Shares on the date of the Investor's written instruction.

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**Section 10.2. Specific Enforcement, Consent to Jurisdiction, Waiver of Jury Trial.**

(i) The Company and each Investor acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that either party shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Agreement by the other party and to enforce specifically the terms and provisions hereof (without the necessity of showing economic loss and without any bond or other security being required), this being in addition to any other remedy to which either party may be entitled by law or equity.

(ii) Each of the Company and the Investors (a) hereby irrevocably submits to the jurisdiction of the U.S. District Court and other courts of the United States or of the State of New York sitting in the State of New York, County of New York for the purposes of any suit, action or proceeding arising out of or relating to this Agreement, and (b) hereby waives, and agrees not to assert in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum or that the venue of the suit, action or proceeding is improper. Each of the Company and each Investor consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing in this Section 10.2 shall affect or limit any right to serve process in any other manner permitted by law.

(iii) EACH OF THE COMPANY AND EACH INVESTOR HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR DISPUTES RELATING HERETO. EACH OF THE COMPANY AND EACH INVESTOR (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.2.

(iv) The prevailing party in any litigation between the Investors, on the one hand, and the Company, on the other hand, shall be entitled to their respective legal fees and expenses incurred in such litigation, including the costs of any appeal and costs of collection of any judgment.

**Section 10.3. Entire Agreement.** The Transaction Documents set forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, negotiations and understandings between the parties, both oral and written, with respect to such matters. There are no promises, undertakings, representations or warranties by either party relative to subject matter hereof not expressly set forth in the Transaction Documents. All exhibits to this Agreement are hereby incorporated by reference in, and made a part of, this Agreement as if set forth in full herein.

**Section 10.4. Notices.** Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be in writing and shall be effective (a) upon hand delivery or electronic mail delivery at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The address for such communications shall be:

If to the Company:

GT Biopharma, Inc.  
505 Montgomery Street,  
9<sup>th</sup> and 10<sup>th</sup> Floors,  
San Francisco California, 94111  
New York, NY 10003

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If to the Investor:  
Five Narrow Lane, L.P.  
510 Madison Avenue, 14<sup>th</sup> Floor  
New York, NY 10003  
backoffice@lhxcorp.com

and:  
Bristol Capital, LLC  
1090 Center Drive  
Park City, UT 84098

Either party hereto may from time to time change its address for notices by giving at least five (5) days' advance written notice of such changed address to the other party hereto.

**Section 10.5. Waivers.** No provision of this Agreement may be waived other than in a written instrument signed by the party against whom enforcement of such waiver is sought. No failure or delay in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercises thereof or of any other right, power or privilege.

**Section 10.6. Amendments.** No provision of this Agreement may be amended by the parties from and after the date that is one (1) Trading Day immediately preceding the filing of the Initial Registration Statement with the Commission. Subject to the immediately preceding sentence, no provision of this Agreement may be amended other than by a written instrument signed by all parties hereto.

**Section 10.7. Headings.** The article, section and subsection headings in this Agreement are for convenience only and shall not constitute a part of this Agreement for any other purpose and shall not be deemed to limit or affect any of the provisions hereof. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

**Section 10.8. Construction.** The parties agree that each of them and their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents. In addition, each and every reference to share prices (including the Threshold Price) and number of Common Shares in any Transaction Document shall, in all cases, be subject to adjustment for any stock splits, stock combinations, stock dividends, recapitalizations, reorganizations and other similar transactions that occur on or after the date of this Agreement. Any reference in this Agreement to "Dollars" or "\$" shall mean the lawful currency of the United States of America. Any references to "Section" or "Article" in this Agreement shall, unless otherwise expressly stated herein, refer to the applicable Section or Article of this Agreement.

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**Section 10.9. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors. Neither the Company nor either Investor may assign this Agreement or any of their respective rights or obligations hereunder to any Person.

**Section 10.10. No Third Party Beneficiaries.** Except as expressly provided in Article IX, this Agreement is intended only for the benefit of the parties hereto and their respective successors, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person; provided, that either Investor may assign its obligations and rights under the Transaction Documents to an Affiliate upon notice to the Company.

**Section 10.11. Governing Law.** This Agreement shall be governed by and construed in accordance with the internal procedural and substantive laws of the State of New York, without giving effect to the choice of law provisions of such state that would cause the application of the laws of any other jurisdiction.

**Section 10.12. Survival.** The representations, warranties, covenants and agreements of the Company and the Investor contained in this Agreement shall survive the execution and delivery hereof until the termination of this Agreement; provided, however, that (i) the provisions of Section 6.3, Article VIII (Termination), Article IX (Indemnification) and this Article X (Miscellaneous) shall remain in full force and effect indefinitely notwithstanding such termination, and, (ii) so long as an Investor owns any Shares, the covenants and agreements of the Company and such Investor contained in Article VI (Additional Covenants), shall remain in full force and effect notwithstanding such termination for a period of thirty (30) days following such termination.

**Section 10.13. Counterparts.** This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile signature or signature delivered by e-mail in a “.pdf” format data file, including any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., [www.docusign.com](http://www.docusign.com), [www.echosign.adobe.com](http://www.echosign.adobe.com), etc., shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original signature.

**Section 10.14. Publicity.** The Company shall afford the Investors and their counsel with a reasonable opportunity to review and comment upon, shall consult with the Investors and their counsel on the form and substance of, and shall give due consideration to all such comments from the Investors or their counsel on, any press release, Commission filing or any other public disclosure made by or on behalf of the Company relating to the Investors, their purchases hereunder or any aspect of the Transaction Documents or the transactions contemplated thereby, prior to the issuance, filing or public disclosure thereof. For the avoidance of doubt, the Company shall not be required to submit for review any such disclosure (i) contained in periodic reports filed with the Commission under the Exchange Act if it shall have previously provided the same disclosure to the Investors or their counsel for review in connection with a previous filing or (ii) any Prospectus Supplement if it contains disclosure that does not reference the Investors, their purchases hereunder or any aspect of the Transaction Documents or the transactions contemplated thereby.

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**Section 10.15. Severability.** The provisions of this Agreement are severable and, in the event that any court of competent jurisdiction shall determine that any one or more of the provisions or part of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement, and this Agreement shall be reformed and construed as if such invalid or illegal or unenforceable provision, or part of such provision, had never been contained herein, so that such provisions would be valid, legal and enforceable to the maximum extent possible.

**Section 10.16. Further Assurances.** From and after the Closing Date, upon the request of the Investors or the Company, each of the Company and the Investors shall execute and deliver such instrument, documents and other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.

**Section 10.18. Currency Provisions.** The obligations of the Company pursuant to this Agreement in respect of any sum due to the Investors shall, notwithstanding any judgment in a currency other than United States dollars, not be discharged until the first Trading Day, following receipt by the Investors of any sum adjudged to be so due in such other currency, on which the Investor may in accordance with normal banking procedures purchase United States dollars with such other currency. If the United States dollars so purchased are less than the sum originally due to the Investors in United States dollars hereunder, the Company agrees as a separate obligation and notwithstanding any such judgment, to indemnify the Investors against such loss. If the United States dollars so purchased are greater than the sum originally due to the Investors or either of them hereunder, the Investors agree to pay to the Company an amount equal to the excess of the dollars so purchased over the sum originally due to such Investor hereunder. All payments made by the Company under this Agreement shall be made free and clear of any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including any amounts that result from the payment of fees, compensation or reimbursement of costs contemplated by this Agreement) imposed or levied by or on behalf of the United States or by any department, agency or other political subdivision or any taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto (collectively, "Taxes"), unless such deduction or withholding is required by law. If any Taxes are required by law to be deducted or withheld by the Company in connection with such payment, the Company will increase the amount to be paid to the Investors so that the full amount of such payment is received by the Investors, provided that the Company will not be required to pay any such additional amounts to the extent that the obligation to withhold or deduct any amounts arises as a result of any present or former connection between the applicable Investor and the relevant jurisdiction other than any such connection arising solely as a result of the transaction described in this Agreement.

*[Signature Page to Common Share Purchase Agreement]*

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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed by their respective authorized officer as of the date first above written.

GT Biopharma, Inc.

By:  
Name:  
Title:

Five Narrow Lane, L.P.  
By: Five Narrow Lane General Partner LLC

By:  
Name: Arie Rabinowitz  
Title: Partner

Bristol Capital LLC

By:  
Name: Paul Kessler  
Title: Principal

*[Signature Page to Common Share Purchase Agreement]*

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ANNEX I TO THE  
COMMON SHARES PURCHASE AGREEMENT

**DEFINITIONS**

“**Accountant**” shall have the meaning assigned to such term in Section 5.7(c) of this Agreement.

“**Affiliate**” shall mean any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a Person, as such terms are used in and construed under Rule 144.

“**Aggregate Limit**” shall have the meaning assigned to such term in Section 2.1 of this Agreement.

“**Agreement**” shall have the meaning assigned to such term in the introductory paragraph hereto.

“**Allowable Grace Period**” shall have the meaning assigned to such term in Section 6.3(vi)(m) of this Agreement.

“**Announcement Report**” shall have the meaning assigned to such term in Section 2.3 of this Agreement.

“**Anti-Corruption Laws**” shall have the meaning assigned to such term in Section 5.21.

“**Applicable Laws**” shall have the meaning assigned to such term in Section 5.14 of this Agreement.

“**Authorizations**” shall have the meaning assigned to such term in Section 5.14 of this Agreement.

“**Bankruptcy Law**” shall mean Title 11, U.S. Code, or any similar U.S. federal or state law for the relief of debtors.

“**Beneficial Ownership Limitation**” shall have the meaning assigned to such term in Section 3.4 of this Agreement.

“**Block**” shall mean any trade on in excess of 10,000 Common Shares on a single Trading Day to a single purchaser, as reported by Bloomberg through its “AQR” function.

“**Bloomberg**” shall mean Bloomberg, L.P.

“**Broker-Dealer**” shall have the meaning assigned to such term in Section 6.12 of this Agreement.

“**Bring-Down Opinion**” shall have the meaning assigned to such term in Section 6.14 of this Agreement.

“**CCPA**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Closing**” shall have the meaning assigned to such term in Section 2.2 of this Agreement.

“**Closing Date**” shall mean the date of this Agreement.

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“**Closing Sale Price**” shall mean, for the Common Shares as of any date, the last closing trade price for the Common Shares on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price for the Common Shares, then the last trade price for the Common Shares prior to 4:00 p.m., New York City time, as reported by Bloomberg. All such determinations shall be appropriately adjusted for any stock splits, stock dividends, stock combinations, recapitalizations or other similar transactions during such period.

“**Code**” shall have the meaning assigned to such term in Section 5.28 of this Agreement.

“**Commencement**” shall have the meaning assigned to such term in the recitals of this Agreement.

“**Commencement Date**” shall have the meaning assigned to such term in Section 3.1 of this Agreement.

“**Commencement Irrevocable Transfer Agent Instructions**” shall have the meaning assigned to such term in Section 10.1(iii) of this Agreement.

“**Commission**” shall mean the U.S. Securities and Exchange Commission or any successor entity.

“**Commission Documents**” shall mean the Initial Registration Statement (or any post-effective amendment thereto), any New Registration Statement (or any post-effective amendment thereto) and all documents that have been and heretofore shall be incorporated by reference therein, including all reports, schedules, registrations, forms, statements, information and other documents filed with or furnished to the Commission by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act if applicable, any Prospectus contained in the Initial Registration Statement or New Registration Statement and each Prospectus Supplement thereto.

“**Common Shares**” shall have the meaning assigned to such term in the recitals of this Agreement.

“**Common Shares Equivalents**” shall mean any securities of the Company or its Subsidiaries which entitle the holder thereof to acquire at any time Common Shares, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Shares.

“**Company**” shall have the meaning assigned to such term in the introductory paragraph of this Agreement.

“**Company Counsel**” means Baker & Hostetler, LLP.

“**Company Party**” shall have the meaning assigned to such term in Section 9.2 of this Agreement.

“**Compliance Certificate**” shall have the meaning assigned to such term in Section 7.1(iv) of this Agreement.

“**Confidential Data**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

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“**Custodian**” shall mean any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

“**Damages**” shall have the meaning assigned to such term in Section 9.1 of this Agreement.

“**DTC**” shall mean The Depository Trust Company, a subsidiary of The Depository Trust & Clearing Corporation, or any successor thereto.

“**DWAC**” shall have the meaning assigned to such term in Section 5.36 of this Agreement.

“**DWAC Shares**” shall mean Common Shares issued pursuant to this Agreement that are (i) issued in electronic form, (ii) freely tradable and transferable and without restriction on resale and without stop transfer instructions maintained against the transfer thereof and (iii) timely credited by the Company to the Investor’s or its designated Broker-Dealer at which the account or accounts to be credited with the Shares being purchased by Investor are maintained specified DWAC account with DTC under its Fast Automated Securities Transfer (FAST) Program, or any similar program hereafter adopted by DTC performing substantially the same function.

“**EDGAR**” means the Commission’s Electronic Data Gathering, Analysis and Retrieval System.

“**Effective Date**” shall mean, with respect to the Initial Registration Statement filed pursuant to this Agreement (or any post-effective amendment thereto) or any New Registration Statement filed pursuant to this Agreement (or any post-effective amendment thereto), as applicable, the date on which the Initial Registration Statement (or any post-effective amendment thereto) or any New Registration Statement (or any post-effective amendment thereto) is declared effective by the Commission.

“**Emerging Growth Company**” shall have the meaning assigned to such term in Section 5.42 of this Agreement.

“**Entity**” shall have the meaning assigned to such term in Section 5.76 of this Agreement.

“**Environmental Laws**” shall have the meaning assigned to such term in Section 5.20 of this Agreement.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder.

“**Exchange Cap**” shall have the meaning assigned to such term in Section 3.3 of this Agreement.

“**Exchange Cap Allocation**” shall mean that no Investor or Purchaser (as defined below) in the Private Placement shall be issued in the aggregate, upon VWAP Purchase, conversion or exercise (as the case may be) of any Preferred Stock or Common Warrants (each as defined below), Common Shares in an amount greater than the Exchange Cap.

“**FDA**” shall mean the United States Food and Drug Administration.

“**FINRA**” shall mean the Financial Industry Regulatory Authority.

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“**Fundamental Transaction**” shall mean that (i) the Company shall, directly or indirectly, in one or more related transactions, (1) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Person, with the result that the holders of the Company’s capital stock immediately prior to such consolidation or merger together beneficially own less than 50% of the outstanding voting power of the surviving or resulting corporation, or (2) sell, lease, license, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company to another Person, or (3) take action to facilitate a purchase, tender or exchange offer by another Person that is accepted by the holders of more than 50% of the outstanding Common Shares (excluding any Common Shares held by the Person or Persons making or party to, or associated or affiliated with the Persons making or party to, such purchase, tender or exchange offer), or (4) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding Common Shares (not including any Common Shares held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination), or (5) reorganize, recapitalize or reclassify its Common Shares, or (ii) any “person” or “group” (as these terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act) is or shall become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 50% of the aggregate ordinary voting power represented by issued and outstanding Common Shares.

“**GAAP**” shall have the meaning assigned to such term in Section 5.7(b) of this Agreement.

“**GDPR**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Governmental Authority**” shall mean (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); (ii) any self-regulatory organization; or (iii) any political subdivision of any of the foregoing.

“**Hazardous Materials**” shall have the meaning assigned to such term in Section 5.20 of this Agreement.

“**HIPAA**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Initial Registration Statement**” shall have the meaning assigned to such term in Section 6.3(i) of this Agreement.

“**Investment Period**” shall mean the period commencing on the Effective Date of the Initial Registration Statement and expiring on the date this Agreement is terminated pursuant to Article VIII.

“**Investor**” shall have the meaning assigned to such term in the introductory paragraph of this Agreement.

“**Investor Party**” shall have the meaning assigned to such term in Section 9.1 of this Agreement.

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“**IT Systems**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Legal Counsel**” shall have the meaning assigned to such term in Section 6.3(ii) of this Agreement.

“**Minimum Price**” means the minimum price as defined by the listing rules of the Nasdaq Stock Market, Inc.

“**Money Laundering Laws**” shall have the meaning assigned to such term in Section 5.20 of this Agreement.

“**New Registration Statement**” shall have the meaning assigned to such term in Section 6.3(iii) of this Agreement.

“**OFAC**” shall have the meaning assigned to such term in Section 5.37 of this Agreement.

“**Post-Effective Amendment Period**” shall mean the period commencing at 9:30 a.m., New York City time, on the fifth (5th) Trading Day immediately prior to the filing of any post-effective amendment to the Initial Registration Statement or any New Registration Statement, and ending at 9:30 a.m., New York City time, on the Trading Day immediately following, the Effective Date of such post-effective amendment.

“**Permits**” shall have the meaning assigned to such term in Section 5.19 of this Agreement.

“**Person**” shall mean any person or entity, whether a natural person, trustee, corporation, partnership, limited partnership, limited liability company, trust, unincorporated organization, business association, firm, joint venture, governmental agency or authority.

“**Personal Data**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Policies**” shall have the meaning assigned to such term in Section 5.38(b) of this Agreement.

“**Principal Market**” shall mean the Nasdaq Capital Market; provided however, that in the event the Company’s Common Shares is ever listed or traded on the New York Stock Exchange, the NYSE American, the Nasdaq Global Select Market, or the Nasdaq Global Market, then the “Principal Market” shall mean such other market or exchange on which the Company’s Common Shares is then listed or traded.

“**Privacy Laws**” shall have the meaning assigned to such term in Section 5.38(a) of this Agreement.

“**Private Placement**” shall mean the issuance and sale by the Company pursuant to a Securities Purchase Agreement, dated May 12, 2025 (the “Securities Purchase Agreement”), with the purchasers identified therein (collectively, the “Purchasers”) of (i) up to 6,056 shares of the Company’s Series L 10% Convertible Preferred Stock (the “Preferred Stock”), (ii) warrants to purchase up to a number of shares of common stock of the Company (the “Common Stock”) equal to 100% of the shares of the Company’s Common Stock issuable upon conversion of the shares of Preferred Stock (the “Common Warrants”), and (iii) warrants to purchase up to a number of shares of Company’s Common Stock equal to the number of Greenshoe Conversion Shares (as defined in the Securities Purchase Agreement) issuable upon exercise of the “Greenshoe Right” of the Purchasers to elect to purchase shares of Preferred Stock with an aggregate stated value of up to \$22,000,000 for an aggregate purchase price of \$19,800,000, subject to adjustments, as further described in the Securities Purchase Agreement.

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“**Prospectus**” shall mean the prospectus in the form included in a Registration Statement, as supplemented from time to time by any Prospectus Supplement, including the documents incorporated by reference therein.

“**Prospectus Supplement**” shall mean any prospectus supplement to the Prospectus filed with the Commission from time to time pursuant to Rule 424(b) under the Securities Act, including the documents incorporated by reference therein.

“**Registrable Securities**” means all of (i) the Shares and (ii) any capital stock of the Company issued or issuable with respect to such Shares, including, without limitation, (1) as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise and (2) shares of capital stock of the Company into which the Common Shares are converted or exchanged and shares of capital stock of a successor entity into which the Common Shares are converted or exchanged, in each case until such time as such securities cease to be Registrable Securities. Any Registrable Security shall cease to be a “Registrable Security” at the earliest of the following: (i) when a Registration Statement covering such Registrable Security becomes or has been declared effective by the Commission and such Registrable Security has been sold or disposed of pursuant to such effective Registration Statement; (ii) when such Registrable Security is held by the Company or one of its Subsidiaries; and (iii) the date that is the first (1st) anniversary of the date of termination of the Purchase Agreement.

“**Registration Period**” shall have the meaning assigned to such term in Section 6.3(vi)(a) of this Agreement.

“**Regulation D**” shall have the meaning assigned to such term in the recitals of this Agreement.

“**Restricted Period**” shall have the meaning assigned to such term in Section 6.8 of this Agreement.

“**Restricted Person(s)**” shall have the meaning assigned to such term in Section 6.8 of this Agreement.

“**Rule 144**” shall mean Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect.

“**Sale Price**” shall mean any trade price for the Common Shares on the Principal Market during normal trading hours, as reported by the Principal Market.

“**Sanctions**” shall have the meaning assigned to such term in Section 5.37 of this Agreement.

“**Sanctioned Countries**” shall have the meaning assigned to such term in Section 5.37 of this Agreement.

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“**Sarbanes-Oxley Act**” shall have the meaning assigned to such term in Section 5.7(c) of this Agreement.

“**SEC**” shall mean the U.S. Securities and Exchange Commission.

“**Section 4(a)(2)**” shall have the meaning assigned to such term in the recitals of this Agreement.

“**Securities Act**” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder.

“**Share Cap**” shall have the meaning assigned to such term in Section 5.5 of this Agreement.

“**Shares**” shall mean the Common Shares that are and/or may be purchased by the Investors under this Agreement pursuant to one or more VWAP Purchase Notices.

“**Short Sales**” shall mean “short sales” as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act.

“**Staff**” shall have the meaning assigned to such term in Section 6.3(iii) of this Agreement.

“**Subsidiary**” shall mean any corporation or other entity of which at least a majority of the securities or other ownership interest having ordinary voting power for the election of directors or other persons performing similar functions are at the time owned directly or indirectly by the Company and/or any of its other Subsidiaries.

“**Threshold Price**” shall mean with respect to any particular VWAP Purchase Notice, the greater of (i) 90% of the Closing Sale Price on the Business Day immediately preceding the VWAP Purchase Date but not less than \$1.00 or (ii) such higher price as set forth by the Company in the VWAP Purchase Notice.

“**Total Commitment**” shall have the meaning assigned to such term in Section 2.1 of this Agreement.

“**Trading Day**” shall mean any day on which the Principal Market or, if the Common Shares is then listed on an Principal Market, such Principal Market is open for trading (regular way), including any day on which the Principal Market (or such Principal Market, as applicable) is open for trading (regular way) for a period of time less than the customary time.

“**Transaction Documents**” shall mean, collectively, this Agreement (as qualified by the Commission Documents) and the exhibits hereto and each of the other agreements, documents, certificates and instruments entered into or furnished by the parties hereto in connection with the transactions contemplated hereby and thereby.

“**Transfer Agent**” shall mean Computershare the sole transfer agent and branch registrar of the Company or any successor thereto.

“**Upfront Commitment Fee**” shall mean a pre-funded warrant to purchase 300,000 Common Shares, divided equally between the Investors.

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“**Upfront Determination Date**” shall mean the last Trading Day prior to the date of this Agreement.

“**Variable Rate Transaction**” shall mean a transaction in which the Company (i) issues or sells any equity or debt securities that are convertible into, exchangeable or exercisable for, or include the right to receive additional Common Shares or Common Shares Equivalents either (A) at a conversion price, exercise price, exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the Common Shares at any time after the initial issuance of such equity or debt securities, or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such equity or debt security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Shares (including, without limitation, any “full ratchet” or “weighted average” anti-dilution provisions, but not including any standard anti-dilution protection for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction), (ii) issues or sells any equity or debt securities, including without limitation, Common Shares or Common Shares Equivalents, either (A) at a price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Shares (other than standard anti-dilution protection for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction), or (B) that are subject to or contain any put, call, redemption, buy-back, price-reset or other similar provision or mechanism (including, without limitation, a “Black-Scholes” put or call right, other than in connection with a “fundamental transaction”) that provides for the issuance of additional equity securities of the Company or the payment of cash by the Company, or (iii) enters into any agreement, including, but not limited to, an “equity line of credit” or “at the market offering” or other continuous offering or similar offering of Common Shares or Common Shares Equivalents, whereby the Company may sell Common Shares or Common Shares Equivalents at a future determined price.

“**VWAP**” shall mean, for the Common Shares for a specified period, the dollar volume-weighted average price for the Common Shares as reported by Bloomberg through its “AQR” function. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, recapitalization or other similar transaction during such period.

“**VWAP Purchase**” shall have the meaning assigned to such term in Section 3.1 of this Agreement.

“**VWAP Purchase Amount**” shall have the meaning assigned to such term in Section 3.2 of this Agreement.

“**VWAP Purchase Condition Satisfaction Time**” shall have the meaning assigned to such term in Section 7.2 of this Agreement.

“**VWAP Purchase Confirmation**” shall have the meaning assigned to such term in Section 3.1 of this Agreement.

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“**VWAP Purchase Commencement Time**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, 9:30:01 a.m., New York City time, on the applicable VWAP Purchase Date, or such later time on such VWAP Purchase Date publicly announced by the Principal Market (or, if the Common Shares is then listed on an Principal Market, by such Principal Market) as the official open (or commencement) of trading (regular way) on the Principal Market (or such Principal Market, as applicable) on such VWAP Purchase Date; *provided, however*, that if a VWAP Purchase Notice is delivered after 9:00 a.m., New York City time, on a VWAP Purchase Date, then the VWAP Purchase Commencement Time shall start only upon receipt by the Company of written confirmation (which may be by email) of acceptance by the Investor, and which confirmation shall specify the VWAP Purchase Commencement Time.

“**VWAP Purchase Date**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, the Trading Day on which the Investor receives, on such Trading Day, a valid VWAP Purchase Notice for such VWAP Purchase in accordance with this Agreement.

“**VWAP Purchase Maximum Share Percentage**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, fifteen percent (15%) such day’s trading volume, unless mutually agreed in writing (which may be by email) between the Company and Investor prior to delivery of a VWAP Purchase Notice in respect of such VWAP Purchase.

“**VWAP Purchase Notice**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, an irrevocable written notice delivered by the Company to the Investor in the form set forth in Exhibit E hereto.

“**VWAP Purchase Period**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, the period on the applicable VWAP Purchase Date for such VWAP Purchase beginning at the applicable VWAP Purchase Commencement Time and ending at the applicable VWAP Purchase Termination Time.

“**VWAP Purchase Price**” shall mean the purchase price per Share to be purchased by the Investor in such VWAP Purchase on such VWAP Purchase Date equal to ninety three percent (93%) of the lesser of the (i) lowest sale price on the VWAP Purchase Date and (ii) the VWAP over the applicable VWAP Purchase Period on such VWAP Purchase Date for such VWAP Purchase. Notwithstanding anything herein to the contrary, in the case where the Sale Price falls below the Threshold Price at any time on a VWAP Purchase Date, the VWAP Purchase Price shall be calculated using the volume weighted average price of Common Shares as reported by Bloomberg through its “AQR” function sold during the portion of the applicable VWAP Purchase Period that the Sale Price is not below the Threshold Price, and, as applicable, using the Block with the lowest Sale Price that is not below the Threshold Price.

“**VWAP Purchase Share Amount**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, a number of Common Shares equal to the least of (i) a number of Common Shares which, when aggregated with all other Common Shares then beneficially owned by the Investor and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder), would result in the beneficial ownership by the Investor of more than the Beneficial Ownership Limitation; (ii) the VWAP Purchase Share Request; and (iii) the VWAP Purchase Share Estimate.

“**VWAP Purchase Share Delivery Date**” shall have the meaning assigned to such term in Section 3.2 of this Agreement.

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“**VWAP Purchase Share Estimate**” shall mean the number of Common Shares set forth in any VWAP Purchase Notice, representing the Company’s good faith estimate of the number of Common Shares equivalent to the VWAP Purchase Share Request during the VWAP Purchase Period on any VWAP Purchase Date.

“**VWAP Purchase Share Request**” shall mean the number of Common Shares equal to (i) the total volume of Common Shares as reported by Bloomberg through its “AQR” function during the applicable VWAP Purchase Period (provided that in the case where the Sale Price falls below the Threshold Price at any time on a VWAP Purchase Date, this volume shall be calculated using the aggregate shares as reported by Bloomberg through its “AQR” function for such portion of the VWAP Purchase Date that the Sale Price is not below the Threshold Price) multiplied by (ii) the lesser of (A) the VWAP Purchase Share Request Percentage and (B) the VWAP Purchase Maximum Share Percentage.

“**VWAP Purchase Share Request Percentage**” shall mean the percentage set forth in any VWAP Purchase Notice.

“**VWAP Purchase Termination Time**” shall mean, with respect to a VWAP Purchase made pursuant to Section 3.1, 4:00 p.m., New York City time, on the applicable VWAP Purchase Date, or such earlier time publicly announced by the Principal Market (or, if the Common Shares is then listed on an Principal Market, by such Principal Market) as the official close of trading (regular way) on the Principal Market on such applicable VWAP Purchase Date.

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## CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Michael Breen, certify that:

- a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;
- b. 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;
- c. 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;
- d. I am 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:
  - i) 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;
  - ii) 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;
  - iii) 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
  - iv) 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
- e. 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):
  - i) 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
  - ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

By: /s/ Michael Breen

Name: Michael Breen

Title: Chief Executive Officer and  
Executive Chairman of the Board  
(Principal Executive Officer)

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## CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, Alan Urban, certify that:

- a. I have reviewed this report on Form 10-Q of GT Biopharma, Inc.;
- b. 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;
- c. 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;
- d. I am 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:
  - i) 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;
  - ii) 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;
  - iii) 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
  - iv) 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
- e. 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):
  - i) 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
  - ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

By: /s/ Alan Urban

Name: Alan Urban

Title: Chief Financial Officer & Secretary  
(Principal Financial Officer)

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**CERTIFICATION TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael Breen, Chief Executive Officer of GT Biopharma, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Date: May 15, 2025

By: /s/ Michael Breen

Name: Michael Breen

Title: Chief Executive Officer and  
Executive Chairman of the Board  
(Principal Executive Officer)

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**CERTIFICATION TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, I, Alan Urbani, Chief Financial Officer and Principal Accounting Officer of GT Biopharma, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

(i) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Date: May 15, 2025

By: /s/ Alan Urban

Name: Alan Urban

Title: Chief Financial Officer & Secretary  
(Principal Financial Officer)

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