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 September 30, 2024

or

☐ **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: 001-42275

KAIROS PHARMA, LTD.
(Exact name of registrant as specified in its charter)

Delaware	**46-2993314**
(State or other jurisdiction of incorporation or organization)	(I.R.S Employer Identification No.)

2355 Westwood Blvd., #139, Los Angeles CA 90064
(Address of principal executive offices) (Zip Code)

(310) 948-2356
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	KAPA	NYSE American

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

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

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

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

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

The number of shares issued and outstanding of the registrant's common stock on November 14, 2024 was 12,846,785.

KAIROS PHARMA, LTD.

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PART I—FINANCIAL INFORMATION

Item 1: Financial Statements.

Kairos Pharma, Ltd.
Condensed Consolidated Balance Sheets
(In thousands, except for share amounts and par value data)

	September 30, 2024 (Unaudited)	December 31, 2023
ASSETS		
Current Assets		
Cash	$ 3,217	$ 93
Vendor advances	1,515	-
Prepaid expenses and other current assets	10	8
Total Current Assets	4,742	101
Deferred offering costs	-	482
Intangible assets, net	262	382
Total Other Assets	262	864
TOTAL ASSETS	$ 5,004	$ 965
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued expenses	$ 1,530	$ 2,401
Due to related parties	-	4
Notes payable - officers	142	-
Total Current Liabilities	1,672	2,405
Convertible notes payable, net of debt discount of $105 at December 31, 2023	-	638
Total Liabilities	1,672	3,043
COMMITMENTS AND CONTINGENCIES - NOTE 7		
Shareholders' Equity (Deficit)		
Preferred stock, par value $0.001, 20,000,000 shares authorized; no shares issued and outstanding, respectively;	-	-
Common stock, par value $0.001, 100,000,000 shares authorized; 12,846,785 and 10,562,640 shares issued and outstanding, respectively;	13	11
Additional paid-in capital	11,154	4,123
Accumulated deficit	(7,835)	(6,212)
Total Shareholders' Equity (Deficit)	3,332	(2,078)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	$ 5,004	$ 965

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

Kairos Pharma, Ltd.
Condensed Consolidated Statements of Operations
(in thousands, except for share amounts and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Revenues	$ -	$ -	$ -	$ -
Operating expenses:				
Research and development	14	33	242	75
General and administrative	369	254	655	550
Total operating expenses	383	287	897	625
Loss from operations	(383)	(287)	(897)	(625)
Other expenses:				
Interest expense	(12)	(15)	(35)	(39)
Financing costs	(537)	-	(537)	-
Debt discount amortization	(115)	(10)	(154)	(30)
Total other expenses	(664)	(25)	(726)	(69)
NET LOSS	$ (1,047)	$ (312)	$ (1,623)	$ (694)
BASIC AND DILUTED LOSS PER COMMON SHARE	$ (0.10)	$ (0.03)	$ (0.15)	$ (0.07)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING				
BASIC AND DILUTED	10,910,227	10,334,357	10,679,776	10,334,357

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

Kairos Pharma, Ltd.
Condensed Consolidated Statements of Shareholders' Equity (Deficit) (Unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance, June 30, 2024 (unaudited)	10,562,640	$ 11	$ 4,123	$ (6,788)	$ (2,654)
Issuance of common shares upon the closing of the initial public offering, net of offering costs	1,550,000	2	4,650	-	4,652
Issuance of common shares upon conversion of convertible notes payable and accrued interest	368,371	-	884	-	884
Issuance of common shares upon conversion of accounts payable	364,110	-	1,456	-	1,456
Issuance of common shares upon conversion of amounts due to related parties	1,664	-	7	-	7
Fair value of warrants issued in connection with convertible notes payable	-	-	29	-	29
Fair value of vested restricted stock units	-	-	5	-	5
Net loss	-	-	-	(1,047)	(1,047)
Balance, September 30, 2024 (unaudited)	12,846,785	$ 13	$ 11,154	$ (7,835)	$ 3,332
Balance, December 31, 2023	10,562,640	$ 11	$ 4,123	$ (6,212)	$ (2,078)
Issuance of common shares upon the closing of the initial public offering, net of offering costs	1,550,000	2	4,650	-	4,652
Issuance of common shares upon conversion of convertible notes payable and accrued interest	368,371	-	884	-	884
Issuance of common shares upon conversion of accounts payable	364,110	-	1,456	-	1,456
Issuance of common shares upon conversion of amounts due to related parties	1,664	-	7	-	7
Fair value of warrants issued in connection with convertible notes payable	-	-	29	-	29
Fair value of vested restricted stock units	-	-	5	-	5
Net loss	-	-	-	(1,623)	(1,623)
Balance, September 30, 2024 (unaudited)	12,846,785	$ 13	$ 11,154	$ (7,835)	$ 3,332
Balance, June 30, 2023 (unaudited)	10,334,357	$ 10	$ 3,211	$ (4,782)	$ (1,561)
Net loss	-	-	-	(312)	(312)
Balance, September 30, 2023 (unaudited)	10,334,357	$ 10	$ 3,211	$ (5,094)	$ (1,873)
Balance, December 31, 2022	10,334,357	$ 10	$ 3,211	$ (4,400)	$ (1,179)
Net loss	-	-	-	(694)	(694)
Balance, September 30, 2023 (unaudited)	10,334,357	$ 10	$ 3,211	$ (5,094)	$ (1,873)

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

Kairos Pharma, Ltd.
Condensed Consolidated Statements of Cash Flows
(In thousands)

	Nine Months Ended September 30,	
	2024	2023
	(Unaudited)	
Cash Flows from Operating Activities		
Net loss	$ (1,623)	$ (694)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Amortization expense	120	120
Amortization of debt discount	154	30
Fair value of common shares issued in connection with the conversion of accounts payable	537	-
Fair value of restricted stock units	5	-
Fair value of warrants issued in connection with convertible notes payable	29	-
Changes in operating assets and liabilities:		
Vendor advances	(1,515)	-
Prepaid expenses and other current assets	(2)	(17)
Accounts payable and accrued expenses	143	576
Net cash provided by (used in) operating activities	(2,152)	15
Cash Flows from Financing Activities		
Proceeds from common stock issued for cash in connection with the closing of the initial public offering	5,524	-
Proceeds, net of offering costs from notes payable - officers	142	-
Payment of deferred offering costs	(390)	(353)
Net cash provided by (used in) financing activities	5,276	(353)
Net increase (decrease) in cash	3,124	(338)
Cash beginning of period	93	437
Cash end of period	$ 3,217	$ 99
Supplemental cash flows disclosures:		
Interest paid	$ -	$ -
Taxes paid	$ -	$ -
Supplemental non-cash financing disclosures:		
Reclassification of deferred offering costs to shareholders' equity	$ 872	$ -
Conversion of convertible notes payable and accrued interest to shareholders' equity	$ 884	$ -
Conversion of accounts payable to shareholders' equity	$ 1,014	$ -
Conversion of amounts due to related parties to shareholders' equity	$ 4	$ -

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

NOTE 1 – BASIS OF PRESENTATION

Organization and Operations

Kairos Pharma, Ltd. (the "Company" or "Kairos") was incorporated on June 17, 2013 under the laws of the state of California as NanoGB13, Inc. The Company changed its name to Kairos Pharma, Ltd. on July 15, 2016 and subsequently converted into a Delaware corporation under the same name, Kairos Pharm, Ltd., on May 10, 2023. The Company is an early-stage biotechnology company focused on the development of immunotherapy and cell therapy treatments for oncology.

Basis of Presentation of Unaudited Financial Information

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all normal recurring adjustments considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

Liquidity and Capital Resources

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

During the year ended December 31, 2023, the Company incurred a net loss of $1,812 and had a shareholders' deficit of $2,078 as of December 31, 2023. As reflected in the accompanying condensed consolidated financial statements, during the nine months ended September 30, 2024, the Company incurred a net loss of $1,623 and used cash in operations of $2,152.

During the nine months ended September 30, 2024, the Company closed its initial public offering ("IPO") and received $5,524 of net proceeds, before deducting deferred offering costs. Due to the funds received through the IPO, as well as the conversion of convertible notes payable and certain accounts payable upon the closing of the IPO, the Company had shareholders' equity of $3,332 at September 30, 2024. The Company now expects its cash, totaling $3,217 at September 30, 2024, to last at least 12 months from the issuance date of this filing.

The ability to continue as a going concern is dependent on the Company attaining and maintaining profitable operations in the future, which will primarily be accomplished by raising additional capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. Since inception, the Company has funded its operations primarily through equity and debt financings and it expects to continue to rely on these sources of capital in the future until it is able to generate revenues.

No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, such financing may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in the case of equity financing.

Reverse Stock Split

On May 10, 2023, the Company effected a 1-for-2.5 reverse stock split of its common stock. The par value and the authorized shares of the Company's common stock were not adjusted as a result of the reverse stock split. The accompanying condensed consolidated financial statements and notes to the financial statements give retroactive effect to the reverse stock split for all periods presented.

Reincorporation

The Company's Certificate of Incorporation, as filed with the State of Delaware on May 10, 2023, following the Company's conversion from a California corporation into a Delaware corporation, authorizes the Company to issue up to 120,000,000 shares, consisting of 100,000,000 shares of common stock, par value of $0.001 per share, and 20,000,000 shares of preferred stock, par value $0.001 per share. The accompanying condensed consolidated financial statements and notes to the financial statements give retroactive effect to the reincorporation for all periods presented.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The accompanying condensed consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Enviro Therapeutics, Inc. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected. Significant estimates in the accompanying condensed consolidated financial statements include the valuation allowance on deferred tax assets and impairment analysis and useful life for intangible assets.

Cash

For the purpose of the statement of cash flows, cash includes currency on hand with banks and financial institutions.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentration of credit risk, consist primarily of cash deposits. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to certain limits.

Intangible Assets

The Company's intangible assets are stated at fair value as of the date acquired, less accumulated amortization. Amortization is calculated based on the estimated useful lives of the assets, which were determined to be five years, using the straight-line method. The intangible asset consists of a licensing agreement that the Company acquired through its acquisition of Enviro Therapeutics, Inc. during the year ended December 31, 2021, with an acquisition cost of $800. Amortization expense relating to the intangible asset during the nine months ended September 30, 2024 and 2023 was $120, respectively, with an unamortized balance of $382 and $262 at December 31, 2023 and September 30, 2024, respectively.

Impairment of Long-Lived Assets

The Company applies the provisions of ASC Topic 360, *Property, Plant, and Equipment*, which addresses financial accounting and reporting for the impairment of long-lived assets. A long-lived asset that is held and used should be tested for recoverability whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable regardless of whether such carrying amount is zero or negative. If the estimated undiscounted future cash flows are less than the carrying value, an impairment determination is required. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair value of the long-lived assets. No impairment was recorded relating to the Company's intangible asset during the nine months ended September 30, 2024 and 2023.

Net Loss Per Share

Net loss per share is calculated in accordance with ASC Topic 260, *Earnings Per Share*. Basic earnings per share ("EPS") is based on the weighted average number of common shares outstanding. Diluted EPS is based on the assumption that all dilutive securities are converted. When options or warrants are outstanding, dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and funds obtained thereby are assumed to be used to purchase common stock at the average market price during the period. For the nine months ended September 30, 2023 and 2024, the basic and diluted shares outstanding were the same, as potentially dilutive shares were considered anti-dilutive. At September 30, 2024 and 2023, the potentially dilutive securities consisted of 278,188 and 150,000 shares of common stock issuable upon exercise of outstanding common stock purchase warrants, respectively, and 80,000 shares issuable upon vesting of unvested restricted stock units ("RSUs") as of September 30, 2024.

Deferred Offering Costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process equity issuances as deferred offering costs until such equity issuances are consummated. After consummation of the equity issuance, these costs are recorded as a reduction in the capitalized amount associated with the equity issuance. Should the equity issuance be delayed or abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the Statement of Operations. As of December 31, 2023 and September 30, 2024, the Company had incurred $482 and $872 of deferred offering costs, respectively, related to the Company's IPO.

During the nine months ended September 30, 2024, a total of $872 of deferred offering costs were recorded against the net proceeds received from the IPO.

Fair Value Measurements

The Company determines the fair value of its assets and liabilities based on the exchange price in U.S. dollars that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The Company uses a fair value hierarchy with three levels of inputs, of which the first two are considered observable and the last unobservable, to measure fair value:

- *Level 1* — Quoted prices in active markets for identical assets or liabilities.
- *Level 2* — Inputs, other than Level 1, that are observable, either directly or indirectly, such as 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 market data for substantially the full term of the assets or liabilities.
- *Level 3* — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amounts of financial instruments such as cash, and accounts payable and accrued liabilities, approximate the related fair values due to the short-term maturities of these instruments. The carrying amounts of the Company's convertible notes payable and notes payable from officers approximate their fair values as the interest rates of the notes are based on prevailing market rates.

Income Taxes

Income tax expense is based on pretax financial accounting income. Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts. Valuation allowances are recorded to reduce deferred tax assets to the amount that will more likely than not be realized. The Company recorded a 100% valuation allowance against its deferred tax assets as of December 31, 2023 and September 30, 2024.

The Company accounts for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50 percent likely of being realized upon settlement. The Company classifies the liability for unrecognized tax benefits as current to the extent that the Company anticipates payment (or receipt) of cash within one year. Interest and penalties related to uncertain tax positions are recognized in the provision for income taxes. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of September 30, 2024 and December 31, 2023. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

Patents and Patent Application Costs

Although the Company believes that its patents and underlying technology have continuing value, the amount of future benefits to be derived from the patents is uncertain. Patent costs are therefore expensed as incurred and are included in General and administrative expenses on the accompanying condensed consolidated Statements of Operations. Patent expenses were $123 and $130 during the nine months ended September 30, 2024 and 2023.

Research and Development Costs

The Company expenses its research and development costs as incurred. Research and developments costs for the nine months ended September 30, 2024 and 2023 were $242 and $75, respectively.

Stock-Based Compensation

The Company measures all stock options and other stock-based awards granted based on the fair value of the award on the date of the grant and recognizes compensation expense for those awards over the requisite service period, which is generally the vesting period of the respective award. The Company has elected to recognize forfeitures as they occur. The reversal of compensation cost previously recognized for an award that is forfeited because of a failure to satisfy a service or performance condition is recognized in the period of the forfeiture. Generally, the Company issues stock options with only service-based vesting conditions and records the expense for these awards using the straight-line method over the requisite service period.

The Company classifies stock-based compensation expense in its statements of operations in the same manner in which the award recipient's payroll costs are classified or in which the award recipients' service payments are classified.

The Company was a private company until the completion of its IPO on September 17, 2024. The Company estimates the fair value of common stock using an appropriate valuation methodology, in accordance with the framework of the American Institute of Certified Public Accountants' Technical Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include a number of objective and subjective factors, including external market conditions, guideline public company information, the prices at which the Company sold its common stock to third parties in arms' length transactions, the rights and preferences of securities senior to the Company's common stock at the time, and the likelihood of achieving a liquidity event such as an initial public offering or sale. Significant changes to the assumptions used in the valuations could result in different fair values of stock options at each valuation date, as applicable.

The fair value of each stock option or warrant grant is estimated using the Black-Scholes option-pricing model. The Company was a private company and lacked company-specific historical and implied volatility information. Therefore, it estimated its expected stock volatility based on the historical volatility of a publicly traded set of peer companies within the biotechnology industry with characteristics similar to the Company. The expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options or warrants. The expected term of stock options or warrants granted to non-employees is equal to the contractual term of the option award. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is zero, based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.

Recent Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure, which is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expense categories that are regularly provided to the chief operating decision maker and included in each reported measure of a segment's profit or loss. The update also requires all annual disclosures about a reportable segment's profit or loss and assets to be provided in interim periods and for entities with a single reportable segment to provide all the disclosures required by ASC 280, Segment Reporting, including the significant segment expense disclosures. The Company adopted ASU 2023-07 beginning January 1, 2024. The Company does not believe the impact of the new guidance and related codification improvements had a material impact to its financial position, results of operations and cash flows.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

NOTE 3 – ADVANCES FROM RELATED PARTIES

During the year ended December 31, 2021, shareholders of the Company, and a company whose principal stockholder is also a stockholder of the Company, advanced the Company $14, all of which remained outstanding at December 31, 2021. The advances accrue no interest, are unsecured and are

due on demand. As of December 31, 2021, $14 was owed on the advances. During the year ended December 31, 2022, the Company repaid $10 of the advances, and as of December 31, 2023 and September 17, 2024, a total of $4 was outstanding.

During the three months ended September 30, 2024, the officers agreed to automatically convert the principal into shares of the Company's common stock upon the closing of the IPO transaction. Upon the closing of the IPO, all of the principal automatically converted into 1,664 shares of the Company's common stock based on the conversion price of $2.40, which was 60% of the IPO closing price of $4.00. As of September 30, 2024, no principal or interest was due on the notes.

As the officers received 666 additional shares based on the 40% discounted price, the fair value of those shares, $3, was recorded as a financing cost during the three and nine months ended September 30, 2024.

NOTE 4 –NOTES AND ACCOUNTS PAYABLE - OFFICERS

During the nine months ended September 30, 2024, the Company entered into note payable agreements with three of its officers in the aggregate total of $142. The notes accrue interest at 7.5% per annum, are unsecured and are due one year from the date of issuance. During the nine months ended September 30, 2024, the notes accrued interest of $3 and as of September 30, 2024, $142 of principal was outstanding on the notes and $3 of accrued and unpaid interest.

Subsequent to September 30, 2024, the notes were repaid and 36,269 shares of the Company's common stock was issued to the officers (see Note 8).

During the three months ended September 30, 2024, the Company entered into an agreement with Douglas Samuelson, the Company's Chief Financial Officer, under which Mr. Samuelson agreed to convert $172 of the total accounts payable due to him into 51,610 shares of the Company's common stock with such conversion to occur upon the closing of the Company's IPO. The conversion price of the shares was equal to 83% of the IPO price. Upon the closing of the IPO, the shares were issued to Mr. Samuelson and the debt was forgiven. The fair value of the shares was $206. The Company recorded the difference between the fair value of the shares and the debt forgiven as a financing cost of $34, which was recorded during the three and nine months ended September 30, 2024. No amounts were owed to Mr. Samuelson as of September 30, 2024.

NOTE 5 – CONVERTIBLE NOTES PAYABLE

During the year ended December 31, 2022, the Company entered into several convertible note payable agreements with certain investors totaling $675. The notes accrue interest at 6% per annum, are unsecured and are due by April 2025. If the Company does not close an IPO transaction within 12 months of the date of the note, the Company will have the choice of paying off the principal plus all accrued and unpaid interest, or the note's principal balance will increase to 110% of its original balance. The notes are convertible at the option of the noteholders into shares of the Company's common stock at a price per share as defined in the agreement or will automatically be converted into shares of the Company's common stock at 60% of the IPO price per share upon the closing of an IPO transaction. The net proceeds to the Company relating to the convertible notes, was $564. As of December 31, 2022, $675 of principal was outstanding on the notes, in addition to $17 of accrued and unpaid interest.

During the year ended December 31, 2023, no principal or interest payments were made on the notes and the notes accrued interest of $43. As the Company did not close its IPO transaction within 12 months of the date of the notes, the notes' principal balance increased to 110% of their original balance, or an increase of $68. As of December 31, 2023, $743 of principal was outstanding on the notes and $60 of accrued and unpaid interest.

The Company accounted for the $68 increase in the principal balance as a debt discount. During the year ended December 31, 2023, the Company amortized $16 of debt discount, leaving an unamortized balance of $52 at December 31, 2023. Also, in connection with the convertible note agreements, the Company incurred debt issuance costs of $111, which the Company recorded as a debt discount during the year ended December 31, 2022. During the year ended December 31, 2022, the Company amortized $18 of debt discount, leaving an unamortized balance of $93 at December 31, 2022. During the year ended December 31, 2023, the Company amortized $40 of debt discount, leaving an unamortized balance of $53 at December 31, 2023.

As of December 31, 2023, there was a total unamortized balance of $105. During the nine months ended September 30, 2024, as the Company did not close its IPO transaction within 12 months of the date of the notes, a portion of the notes' principal balance increased to 110% of their original balance, or an increase of $49. The Company accounted for the $49 increase in the principal balance as a debt discount, leaving an unamortized balance of $154 at September 17, 2024. As of September 17, 2024, $792 of principal was outstanding on the notes and $92 of accrued and unpaid interest.

Upon closing of the Company's IPO, the principal amount of $792, plus the accrued and unpaid interest of $92, automatically converted into 368,371 shares of the Company's common stock based on the principal and accrued interest due as of September 30, 2024. Also, the unamortized balance of the debt discount of $154 was amortized during the period, leaving no unamortized balance at September 30, 2024. No principal or interest was owed on the notes as of September 30, 2024.

NOTE 6 – SHAREHOLDERS' EQUITY

Common Stock

Authorized Shares

The Company's Certificate of Incorporation, as filed with the State of Delaware on May 10, 2023, following the Company's conversion from a California corporation into a Delaware corporation, authorizes the Company to issue up to 120,000,000 shares, consisting of 100,000,000 shares of common stock, par value of $0.001 per share, and 20,000,000 shares of preferred stock, par value $0.001 per share. Holders of shares of common stock have full voting rights, one vote for each share held of record. Shareholders are entitled to receive dividends as may be declared by the board of directors out of funds legally available and share pro rata in any distributions with shareholders upon liquidation. Shareholders have no conversion, pre-emptive or subscription rights. All outstanding shares of common stock are fully paid and non-assessable. As of September 30, 2024 and December 31, 2023 there were 12,846,785 and 10,562,640 shares of common stock issued and outstanding, respectively, and no shares of preferred stock outstanding, respectively.

Common Stock Issued for Cash Upon Closing of the Company's IPO

On September 16, 2024, the Company completed its IPO of its common stock in which the Company issued and sold 1,550,000 shares of its common stock at a public offering price of $4.00 per share. The total gross proceeds of the IPO were $6,200 and the Company raised $5,524 in net proceeds after deducting underwriting discounts and commissions and offering expenses payable by the Company. The underwriters were granted a 45-day option to purchase up to an additional 232,500 shares of common stock from the Company.

On September 17, 2024, pursuant to the underwriting agreement, the Company issued two common stock purchase warrants to the underwriters, each for the purchase of 54,250 shares of common stock, at an exercise price of 120% of the IPO price (or $4.80 per share), subject to adjustments. The warrants will be exercisable during the period commencing on March 16, 2025 and ending on September 17, 2029 and may be exercised on a cashless basis under certain circumstances.

Conversion of Accounts Payable

During the three months ended September 30, 2024, the Company entered into an agreement with Cedars-Sinai Medical Center ("Cedars") under which Cedars agreed to convert $750 of the total accounts payable due to them into 312,500 shares of the Company's common stock with such conversion to occur upon the closing of the Company's IPO. The conversion price of the shares will be equal to 60% of the per share IPO price. Upon the closing of the IPO, the shares were issued to Cedars and the debt was forgiven. The fair value of the shares was $1,250. The Company recorded the difference between the fair value of the shares and the debt forgiven as a financing cost of $500, which was recorded during the three months ended September 30, 2024.

Adoption of the 2023 Equity Incentive Plan

In July 2023, the Company's board of directors and stockholders adopted the 2023 Equity Incentive Plan (the "2023 Plan"). Under the 2023 Plan, the Company may grant incentive stock options to employees, including employees of any parent or subsidiary, and nonstatutory stock options, stock appreciation rights, restricted stock awards, RSU awards, performance awards and other forms of stock awards to employees, directors, and consultants, including employees and consultants of the Company's affiliates. As approved, a total of 1,650,000 shares of common stock were initially reserved for issuance under the 2023 Plan. No shares were issued under the 2023 Plan as of December 31, 2023 and there were a total of 80,000 RSUs issued, subject to vesting, under the 2023 Plan as of September 30, 2024. As of September 30, 2024, 1,570,000 shares were available for grant under the 2023 Plan.

Grant of RSUs

The following table summarizes restricted common stock activity during the nine months ended September 30, 2024:

	Number of Restricted Shares	Fair Value	Weighted Average Grant Date Fair Value
Non-vested, December 31, 2023	—	$ —	$ —
Granted	80,000	174	2.18
Vested	—	(5)	(1.90)
Forfeited	—	—	—
Non-vested, September 30, 2024	80,000	$ 169	$ 2.18

On September 23, 2024, the Company entered into a strategic advisory agreement (the "Strategic Advisory Agreement") with Belair Capital Advisors Inc. ("BCA"). During the one-year term of the Strategic Advisory Agreement, in exchange for its services, the Company issued BCA 50,000 RSUs, which will vest at the end of six months following the date of issuance. The fair value of the shares on the date of grant was $100. None of these shares vested during the nine months ended September 30, 2024. During the nine months ended September 30, 2024, stock compensation of $4 was recorded for the fair value vesting of restricted common stock.

Upon the closing of the Company's IPO, the Company entered into director agreements with each of its three independent directors. Such agreements provide for annual cash compensation of $50,000, payable in quarterly installments in arrears, plus an additional $10,000 cash compensation for the chair of the audit committee. In addition, the Company's policy provides that, upon initial election or appointment to our board of directors, each new non-employee director will be granted a one-time grant, or Director Initial Grant, of 10,000 RSUs that will vest in substantially equal annual installments over a period of three years. The Director Initial Grant is subject to full acceleration vesting upon the sale of the Company, in accordance with the terms of our 2023 Plan. The 30,000 RSUs were granted effective on the IPO closing date. The fair value of the shares on the date of grant was $74. None of these shares vested during the nine months ended September 30, 2024. During the nine months ended September 30, 2024, stock compensation of $1 was recorded for the fair value vesting of restricted common stock.

During the three and nine months ended September 30, 2024, total stock compensation of $5 was recorded for the fair value vesting of restricted common stock and as of September 30, 2024, $169 of unamortized compensation remained.

Stock Warrants

The table below summarizes the Company's warrant activities for nine months ended September 30, 2024:

	Number of Warrant Shares	Exercise Price Range Per Share	Weighted Average Exercise Price
Balance, December 31, 2023	150,000	$ 4.17	$ 4.17
Granted	128,188	2.40 – 4.80	4.43
Cancelled	–	–	–
Exercised	–	–	–
Forfeited/Expired	–	–	–
Balance, September 30, 2024	278,188	$ 2.40 – 4.80	$ 4.29
Vested and exercisable, September 30, 2024	169,688	$ 2.40 – 4.17	$ 3.96

The following table summarizes information concerning outstanding and exercisable warrants as of September 30, 2024:

	Warrants Outstanding			Warrants Exercisable		
Range of Exercise Prices	Number Outstanding	Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Average Remaining Contractual Life (in years)	Weighted Average Exercise Price
$ 2.40	19.688	5.00	$ 2.40	19,688	5.00	$ 2.40
4.17 - 4.80	258,500	2.39	4.43	150,000	0.50	4.17
$ 2.40–4.80	278,188	2.57	$ 4.29	169,688	1.02	$ 3.96

On September 17, 2024, upon the closing of the IPO, the Company issued two stock warrants to the participating underwriters, each for the purchase of 54,250 shares of common stock, at an exercise price of 120% of the IPO price (or $4.80 per share), subject to adjustment. The warrants will be exercisable during the period commencing on March 16, 2025 and ending on September 16, 2029 and may be exercised on a cashless basis under certain circumstances.

On September 17, 2024, upon the closing of the IPO, the Company issued a stock warrant to the underwriters for the purchase of 19,688 shares of common stock at an exercise price of $2.40 per share. The warrant vested upon grant. The warrant was issued to the underwriters as they were the placement agents for the convertible notes payable (see Note 5). The Company valued the warrant using a Black-Scholes pricing model with the following weighted average assumptions: fair value of our stock price of $2.46 per share, the expected term of 2.5 years, volatility of 100%, dividend rate of 0%, and risk-free interest rate of 3.49%. The fair value of the warrant of $29 was recorded to General and administrative expense during the three and nine months ended September 30, 2024. The warrant expires five years from the date of grant.

During the year ended December 31, 2022, the Company entered into a convertible note payable agreement with an individual in the amount of $250. In connection with that agreement, the Company granted a warrant to the lender to purchase up to 150,000 shares of the Company's common stock with an exercise price of $4.17 per share. The warrant expires in March 2025.

There was no intrinsic value for warrant shares outstanding as of September 30, 2024.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Kairos Agreement with Prevail Infoworks, Inc.

In August 2024, the Company entered into a master service and technology agreement with Prevail Infoworks, Inc. ("Prevail"), pursuant to which Prevail agreed to provide certain clinical research services to the Company. As part of the agreement, the Company must make an advance payment of $900 to Prevail before they begin their services and, at such time as we notify Prevail to engage their services related to the relevant clinical trial, or six months from the date of the agreement, pay approximately $80 per month during the time Prevail performs clinical research services for the Company's Phase 2 ENV 105 prostate and Phase 1 ENV 105 lung clinical trials. The agreement with Prevail is subject to cancellation at any time upon 30 days' written notice to the other party. The Company made the advance payment to Prevail in October 2024 (see Note 8).

Kairos Agreement with PreCheck Health Services, Inc.

On September 20, 2024, the Company entered into a bioassay services agreement (the "Bioassay Services Agreement") with PreCheck Health Services, Inc., a Florida-based corporation ("PreCheck"). Pursuant to the Bioassay Services Agreement, PreCheck will provide certain biomarker screening services for the Company's ongoing carotuximab (ENV105) clinical trials in order to assist the Company in identifying lung and prostate cancer patients suitable to the Company's ongoing Phase 1 clinical trials for lung cancer patients and Phase 2 trials for patients with castrate resistant prostate cancer. In order to identify biomarkers for patient screening and therapy monitoring using carotuximab (ENV105), PreCheck will utilize its SolidTumorCheck+ platform for the somatic gene expression analysis of biopsy tissue samples derived from patients with lung and prostate cancer, as part of the Company's ongoing clinical trials. In furtherance of these efforts, PreCheck will develop a companion diagnostic to support its identification of such patients with a three gene PCR analysis or other genetic analysis, which diagnostic test will then be developed and submitted to the Food and Drug Administration ("FDA") for castrate-resistant prostate cancer patients and for lung cancer patients on Tagrisso. In exchange for PreCheck's services, and according to the terms of the Bioassay Services Agreement, the Company paid $900 to PreCheck as an advance for the future laboratory services to be performed. The payment of $900 is included in vendor advances on the accompanying balance sheet as of September 30, 2024. The term of the agreement is one year from the effective date.

Kairos Agreement with CEO.CA Technologies Ltd.

On September 23, 2024, the Company entered into an advisory and consulting services agreement (the "CEO.CA Agreement") with CEO.CA Technologies Ltd., a Canadian company ("CEO.CA"), pursuant to which CEO.CA will provide certain internet-based financial information and communications services for a period of one year for a services fee of $250. The service fee is an advance on future services to be performed. The CEO.CA Agreement includes such services as strategic news placement, news releases, interviews, monthly analytics and a video launch. The CEO.CA Agreement contains other customary clauses, including representations and warranties, indemnification clauses and governing law clauses. The payment of $250 is included in vendor advances on the accompanying balance sheet as of September 30, 2024.

Kairos Agreement with Belair Capital Advisors Inc.

On September 23, 2024, the Company entered into a strategic advisory agreement (the "Strategic Advisory Agreement") with Belair Capital Advisors Inc. ("BCA"). BCA, a venture capital and corporate finance advisory firm, has been a long-term investor and advisor to the Company and frequently works with early-stage pharmaceutical companies. The strategic advisory services consist of corporate strategy, market positioning and long-term growth plans within the pharmaceutical sector, digital marketing and engagement, market research analysis and business development assistance, among other things. During the one-year term of the Strategic Advisory Agreement, in exchange for its services, the Company will pay BCA a $365 fee and will issue BCA 50,000 RSUs, which will vest at the end of six months following the date of issuance. The payment of $365 is included in vendor advances on the accompanying balance sheet as of September 30, 2024.

The Company valued the 50,000 shares of common stock at $100 based on the Company's closing stock price on the effective date of the agreement. The fair value will be amortized over the one-year term of the agreement (see Note 6). During the three and nine months ended September 30, 2024, a total of $4 was recorded for the fair value of the RSU's that vested during the period.

Kairos Exclusive License Agreements with Cedars-Sinai Medical Center (Cedars)

The Company has entered into four Exclusive License Agreements with Cedars which grants the Company licensing rights with respect to certain patent rights owned by Cedars as follows:

1. Methods of use of compounds that bind to RelA of NFkB;
2. Composition and methods for treating fibrosis;
3. Compositions and methods for treating cancer and autoimmune diseases; and
4. Method of generating activated T cells for cancer therapy.

For each of the exclusive license agreement in items 1, 2 and 3, the Company was required to pay an initial license fee of $5, reimburse Cedars for patent protection costs ranging from approximately $9 to $61, pay an annual maintenance fee of $10, and pay royalties based on 3.75% of net sales and pay other non-royalty sublicense fees ranging from 5% to 35% of sales of products. In addition, for items 1, 2 and 3, the Company is required to pay Cedars based on the following milestones:

- $150 upon the successful completing of Phase I clinical trial;
- $250 (for items 1 and 2) and $500,000 (for item 3) upon the successful completing of Phase II clinical trial for a product and receipt of FDA) approval for a Phase III clinical trial;
- $1,500 upon receipt of FDA approval of a new drug application or equivalent foreign regulatory approval in a non-United States major commercial market; and
- $250 upon cumulative net sales exceeding $5,000.

For the exclusive license agreement listed in item 4, the Company is required to pay an initial license fee of $50 upon raising $500 in capital, pay an annual maintenance fee of $10, pay royalties based on 4.25% of patent product sales and 0.5% of other sales and pay other non-royalty sublicense fees ranging from 5% to 35%. In addition, the Company is required to pay Cedars based on the following milestones:

- $150 upon the successful completing of Phase I clinical trial;
- $250 upon the successful completing of Phase II clinical trial and receipt of FDA or equivalent regulatory agency in another jurisdiction approval for a Phase III clinical trial;
- $1,500 upon receipt of FDA approval of a new drug application; and
- $2,500 upon cumulative net sales exceeding $50,000.

Enviro Therapeutics

On June 2, 2021, the Company's wholly owned subsidiary, Enviro Therapeutics, Inc. (Enviro), entered into two Exclusive License Agreements with Cedars, which granted Enviro exclusive licensing rights (which include the right to sublicense) with respect to certain patent rights owned by Cedars, as follows:

- an Exclusive License Agreement (the "Enviro-Cedars License Agreement (Mitochondrial DNA)") for Enviro to develop, manufacture, use and sell products utilized or derived from patent rights worldwide related to the "Compositions and Methods for Treating Diseases and Conditions by Depletion of Mitochondrial DNA from Circulation and for Detection of Mitochondrial DNA" invented by Dr. Neil Bhowmick and others; and

- an Exclusive License Agreement, (the "Enviro-Cedars License Agreement (Endoglin Antagonism)" and, collectively with the Enviro-Cedars License Agreement (Mitochondrial DNA), the "Enviro-Cedars License Agreements") for Enviro to develop, manufacture, use and sell products utilized or derived from the patent rights and technical information worldwide related to the "Sensitization of Tumors to Therapies Through Endoglin Antagonism" invented by Dr. Neil Bhowmick and others.

In exchange for each of the licenses, Enviro is required to pay an upfront license fee in the mid four-figures and low-five figures, respectively. Enviro is also required to reimburse Cedars for the costs in the mid-to-high six figures incurred in the prosecution of the patent rights subject to the Enviro-Cedars License Agreements prior to the date of execution of such agreements, and certain costs and fees then outstanding aggregating in the low-six figures owed by Kairos pursuant to the Kairos-Cedars License Agreements. Pursuant to the Enviro-Cedars License Agreements, Cedars shall also receive royalty payments of a mid-single-digit percentage of net sales of products associated with the licensed patent right and less than one percent of net sales of other products derived from Cedars' technical information, with a minimum annual royalty fee in the low five-digits due beginning on the third anniversary of the effective date of the Enviro-Cedars License Agreements. To the extent Enviro derives non-royalty sublicensing revenues, a high single-digit to low double-digit percentage of such revenues would be due and payable to Cedars, with the actual percentage of such revenues dependent on the stage of FDA authorization at the time the sublicense revenue is generated.

Enviro is also required to pay Cedars in connection with achieving the following Payment Milestones relating to products derived from the patent rights: successful completion of a Phase I clinical trial; successful completion of a Phase II clinical trial, receipt of FDA approval, and approval for a Phase III clinical trial; FDA approval of an NDA or BLA; cumulative net sales exceeding $50,000; and cumulative net sales exceeding $100,000. If all of these payment milestones are met among both of the Enviro-Cedars License Agreements, the required milestone payments would total in the mid-to-high seven-figures.

Pursuant to the Enviro-Cedars License Agreements, Enviro is obligated to meet the following Commercialization Milestones. Pursuant to the Enviro-Cedars License Agreement (Endoglin Antagonism), Enviro is obligated to (1) obtain an IND for a patent product within 1 year of the effective date of the agreement, (2) commence a Phase II trial within 2 years of the effective date of the agreement, and (3) submit an NDA or BLA to the FDA or equivalent regulatory agency in another jurisdiction within 7 years of the effective date of the agreement. Pursuant to the Enviro-Cedars License Agreement (Mitochondrial DNA), Enviro is obligated to (1) complete preclinical studies of a patent product within 2 years of the effective date of the agreement, (2) complete toxicology studies within 2.5 years of the effective date of the agreement, (3) obtain IND within 3 years of the effective date of the agreement, (4) begin a Phase I trial within 4 years of the effective date of the agreement, and (5) submit an NDA or BLA to the FDA or equivalent regulatory agency in another jurisdiction within 7 years of the effective date of the agreement. If the Commercialization Milestones are not met or extended, Cedars may convert the exclusive licenses into non-exclusive licenses or to a co-exclusive licenses or terminate the licenses.

The Enviro-Cedars License Agreements will, unless sooner terminated, continue in effect on a country-by-country basis until the last of the patents covering the patent rights or future patent rights expires. Under the terms of the Enviro-Cedars License Agreements, unless waived by Cedars, the agreements would automatically terminate: (a) if Enviro ceases, dissolves or winds up its business operations; (b) if performance by either party jeopardizes the licensure, accreditation or tax exempt status of Cedars or the agreement is deemed illegal by a governmental body; (c) within 30 days for non-payment of royalties or if Enviro fails to undertake commercially reasonable efforts to exploit the patent rights or future patent rights; (d) within 60 days of Cedars' failure to cure any breach or default of a material obligation under the agreements; (e) within 90 days of Enviro's failure to cure any breach or default of a material obligation under the agreements; or (f) upon mutual written agreement of the parties.

On March 7, 2024, the Company and Enviro entered into a conversion agreement with Cedars pursuant to which Cedars agreed to convert $750 of the $948 owed to it, at a conversion rate of $2.40 per share, or 60% of the IPO price. As a result, the Company issued a total of 312,500 shares of common stock to Cedars.

License Agreement with Tracon Pharmaceutical, Inc.

On May 21, 2021, Enviro entered into a License Agreement with Tracon Pharmaceutical, Inc. ("Tracon"). Pursuant to the Tracon License Agreement, Tracon granted Enviro access to inactive IND filings for "TRC105" in the United States; ownership of "TRC105" stored vials of drug product manufactured to GMP standards stored at Fisher Clinical or their designee; and assignment of Tracon's patent rights to its "CD105 technologies" (all as defined or described in the Tracon License Agreement).

Pursuant to the Tracon License Agreement, Enviro paid Tracon an upfront fee of $100, and will pay Tracon an additional $500 upon its or its successor's completion of one or more financings through the sale of equity (or debt convertible to equity) in an amount of $10,000, and an additional $500 within 10 days of its or its successor's completion of one or more financings through the sale of equity (or debt convertible into equity) in an amount of $22,000 (the payment of the $100 and the two payments of $500 are referred to in the aggregate as the "Cash Consideration"). In addition, Enviro will pay Tracon a royalty of 3% of net sales on a country-by-country basis of the products subject to the Tracon License Agreement, and non-royalty payments of 3% of sublicensing fees.

Enviro issued Tracon equity ownership in Enviro equal to a number of shares of restricted common stock of Enviro equal to seven percent (7%) on a fully-diluted and converted basis of all common and preferred shares of Enviro (the "Tracon-Enviro Equity"). In connection with the Enviro-Kairos Share Exchange, the parties agreed that Tracon would receive, in exchange for its Enviro common stock, 420,000 restricted shares of Kairos Common Stock (which is equal to 1.41229% of the issued and outstanding shares of Kairos on a fully-diluted and converted basis) as the Tracon-Enviro Equity. Until such time as Tracon has received all of the Cash Consideration (as defined in the Tracon License Agreement), Enviro or its successor in interest, will issue to Tracon, without further consideration, any additional shares of common stock of Enviro, or such successor in interest, necessary so that Tracon maintains ownership of shares of Enviro, or such successor in interest, equal to the Tracon-Enviro Equity on a fully-diluted and converted basis of all stock in Enviro (or its successor). Notwithstanding the foregoing, if Tracon receives the full Cash Consideration within six (6) months of the effective date of the Tracon License Agreement, then Tracon will automatically return to Enviro (or any successor entity, if applicable) a number of restricted shares of the common stock of Enviro (or its successor) such that upon such return of shares Tracon will possess an amount of shares in Enviro (or its successor) equal to two percent (2%) on a fully-diluted and converted basis relative to the other Enviro shareholders who exchanged their shares in the Enviro-Kairos Share Exchange. The returned portion of the Tracon-Enviro Equity will automatically be terminated, cancelled and of no further force and effect.

Agreement with former Chief Financial Officer

The Company has an agreement with its former Chief Financial Officer that requires the Company to pay $50 upon the completion of raising more than $850 in debt or equity financing. No amount was owed at December 31, 2023 and $50 was owed as of September 30, 2024 and is included in Accounts payable and accrued expenses as of that date.

NOTE 8 – SUBSEQUENT EVENTS

Notes Payable from Officers

As of September 30, 2024, the Company owed $142 of principal and $3 of accrued and unpaid interest on its notes payable agreements with three of its officers. In October 2024, the notes and accrued interest were repaid. In connection with the agreements, the Company issued 36,269 shares of its common stock to the officers. The value of the shares was $48 on the date of grant.

Kairos Agreement with Prevail

In August 2024, the Company entered into a master service and technology agreement with Prevail pursuant to which Prevail agreed to provide certain clinical research services to the Company (see Note 7). As part of the agreement, the Company must make an advance payment of $900 to Prevail before they begin their services. The Company made the advance payment to Prevail in October 2024.

Kairos Agreement with Cross Current Capital LLC

On October 1, 2024, the Company entered into a consulting agreement (the "Consulting Agreement") with Cross Current Capital LLC, a limited liability company organized under the laws of Puerto Rico ("Cross Current"), and Alan Masley (the "Advisor"), pursuant to which Cross Current agreed to provide certain financial and business consulting services to the Company including, but not limited, to (a) help drafting a public company competitive overview, (b) help preparing and/or reviewing a valuation analysis, (c) help in drafting marketing materials and presentations, (d) reviewing the Company's business requirements and discuss financing and businesses opportunities, (e) investor marketing, (f) investor relations introductions, (g) legal counsel introductions, (h) auditor introductions, (i) investment banking and research introductions, (j) M&A canvassing and ways to grow the business organically, and (k) stand by capital markets advisory services. For the services rendered thereunder, the Company agreed to pay Cross Current $200,000 in cash and agreed to issue to the Advisor restricted shares of the Company's common stock, issuable under the Company's 2023 Plan, in an amount equal to $500,000 (the "Shares"), which Shares shall vest at the end of six months after issuance. The term of the Consulting Agreement is 24 months and can be extended for another 12 months upon the written consent of both parties. The Company made the $200 payment in October 2024.

Settlement Agreement

On October 17, 2024, the Company entered into a Settlement Agreement with the Company's former legal counsel. In connection with the agreement, the law firm agreed to settle the amount the Company owed them, which totaled $773, in exchange for a payment of $150. In October 2024, the Company made the $150 payment to the law firm. As of the date of this filing, no amounts were owed to the law firm.

Common Share Issuances

On October 4, the Company's board of directors approved the grant of 32,071 shares of its common stock to the Company's CFO.

Employment Agreements

On November 11, 2024, the Company entered into an agreement with each of its four executive officers under which each agreed to delay receipt of compensation under their agreements from the IPO effective date to January 1, 2025.

Agreement with Helena Global Investment Opportunities

On November 12, 2024, the Company entered into an agreement with Helena Global Investment Opportunities I LTD ("Helena") pursuant to which the Company will have the right to issue and sell to the Helena, from time to time, and Helena shall purchase from the Company, up to $30,000 of the Company's shares of common stock (the "Equity Line of Credit"). The Equity Line of Credit will become available to the Company at such time as it files a registration statement on Form S-1 registering the shares issuable under the Equity Line of Credit. In exchange for the Equity Line of Credit, the Company is obligated to issue Helena a certain number of shares of common stock, calculated using $900 divided by the lowest one-day VWAP during the five trading days prior to entry into the agreement. The Company has agreed to register such shares for resale pursuant to a registration statement on Form S-1.

Conversion of Accounts Payable

On November 13, 2024, the Company entered into an agreement with Cedars-Sinai Medical Center ("Cedars") under which Cedars agreed to convert $200 of the total accounts payable due to them into shares of the Company's common stock with such conversion to occur upon the execution of the agreement. The conversion price of the shares will be equal to 60% of the Company's closing stock price on the date of the agreement. In conjunction with the conversion agreement, the Company and Enviro also entered into amendments to its licensing agreements with Cedars.

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

(in thousands, except for share amounts and per share data)

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited consolidated financial statements and related notes appearing in Part I, Item 1 of this Quarterly Report on Form 10-Q (the "Quarterly Report"), and with our audited financial statements and notes thereto for the year ended December 31, 2023, included in our prospectus dated September 16, 2024 (File Number: 333-274805)(the "Prospectus").

Special Note Regarding Forward-Looking Statements

In addition to historical information, some of the statements contained in this discussion and analysis or set forth elsewhere in this Quarterly Report, including information with respect to our plans and strategy for our business, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and any projections about future events. The following information and any forward-looking statements should be considered in light of factors discussed elsewhere in this Quarterly Report, along with the risks identified in the Prospectus under the title "Risk Factors" and in our other filings with the Securities Exchange Commission (the "SEC").

We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Quarterly Report. Statements made herein are as of the date of the filing of this Quarterly Report with the SEC and should not be relied upon as of any subsequent date. Even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report, they may not be predictive of results or developments in future periods. We disclaim any obligation, except as specifically required by law and the rules of the SEC, to publicly update or revise any such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

Overview

We are a clinical-stage biopharmaceutical company advancing therapeutics for cancer patients that are designed to overcome key hurdles in immune suppression and drug resistance.

Our mission is to advance our portfolio of innovative therapeutics to reverse key mechanisms of therapeutic resistance and immune suppression and transform the way cancer is treated. We have leveraged molecular insights of the mechanisms of therapeutic resistance and immune suppression to develop a new class of novel drugs that we expect will target drug resistance and checkpoints of immune suppression. As of the date of this Quarterly Report, our product candidates have not been approved as safe or effective by the Food and Drug Administration ("FDA") or any other comparable foreign regulator.

Since inception, our operations have focused on organizing and staffing our company, business planning, raising capital, acquiring and developing our technology, establishing our intellectual property portfolio, identifying potential product candidates and undertaking preclinical and clinical studies and manufacturing. We do not have any products approved for sale and have not generated any revenue from product sales.

Since inception, we have incurred significant operating losses. Our net losses were $1,623 and $1,812 for the nine months ended September 30, 2024 and for the year ended December 31, 2023, respectively. As of September 30, 2024, we had an accumulated deficit of $7,835. We expect to continue to incur significant and increasing expenses and operating losses for the foreseeable future, as we advance our current and future product candidates through preclinical and clinical development, manufacture drug product and drug supply, seek regulatory approval for our current and future product candidates, maintain and expand our intellectual property portfolio, hire additional research and development and business personnel and operate as a public company.

We will not generate revenue from product sales unless and until we successfully complete clinical development and obtain regulatory approval for our product candidates. In addition, if we obtain regulatory approval for our product candidates and do not enter into a third-party commercialization partnership, we will likely incur significant expenses related to developing our commercialization capability to support product sales, marketing, manufacturing, and distribution activities.

As a result, we will need substantial additional funding to support our continuing operations and pursue our growth strategy. Until we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of public or private equity offerings and debt financings or other sources, such as potential collaboration agreements, strategic alliances and licensing arrangements. We may be unable to raise additional funds or enter into such other agreements or arrangements when needed on acceptable terms, or at all. Our failure to raise capital or enter into such agreements as, and when needed, could have a material adverse effect on our business, results of operations and financial condition.

The report of our independent registered public accounting firm on our financial statements for the years ended December 31, 2022 and 2023 included an explanatory paragraph indicating that there was substantial doubt about our ability to continue as a going concern. See Note 1 to our annual financial statements appearing at the Prospectus for additional information on our assessment.

At September 30, 2024, the Company had cash on hand in the amount of $3,217. The ability to continue as a going concern is dependent on the Company attaining and maintaining profitable operations in the future and raising additional capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. Since inception, the Company has funded its operations primarily through equity and debt financings and it expects to continue to rely on these sources of capital in the future.

No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in case of equity financing.

Critical Accounting Policies and Significant Judgments and Estimates

This Management's Discussion and Analysis of Financial Condition and Results of Operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the balance sheets and the reported amounts of expenses during the reporting periods. In accordance with GAAP, we base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances at the time such estimates are made. Actual results may differ materially from our estimates and judgments under different assumptions or conditions. We periodically review our estimates in light of changes in circumstances, facts and experience. The effects of material revisions in estimates are reflected in our financial statements prospectively from the date of the change in estimate.

We define our critical accounting policies as those accounting principles that require us to make subjective estimates and judgments about matters that are uncertain and are likely to have a material impact on our financial condition and results of operations, as well as the specific manner in which we apply those principles. While our significant accounting policies are more fully described in Note 2 to our unaudited financial statements appearing elsewhere in this Quartey Report, we believe the following are the critical accounting policies used in the preparation of our financial statements that require significant estimates and judgments.

Research and Development Expenses

Research and development expenses consist primarily of costs incurred in connection with the development of our product candidates. We expense research and development costs as incurred.

At the end of each reporting period, we compare payments made to third-party service providers to the estimated progress toward completion of the applicable research or development objectives. Such estimates are subject to change as additional information becomes available. Depending on the timing of payments to the service providers and the progress that we estimate has been made as a result of the service provided, we may record net prepaid or accrued expenses relating to these costs. As of December 31, 2023, and September 30, 2024, we have not made any material adjustments to our prior estimates of accrued research and development expenses.

Stock-Based Compensation

The Company measures all stock options and other stock-based awards granted based on the fair value of the award on the date of the grant and recognizes compensation expense for those awards over the requisite service period, which is generally the vesting period of the respective award. The Company has elected to recognize forfeitures as they occur. The reversal of compensation cost previously recognized for an award that is forfeited because of a failure to satisfy a service or performance condition is recognized in the period of the forfeiture. Generally, the Company issues stock options with only service-based vesting conditions and records the expense for these awards using the straight-line method over the requisite service period.

The Company classifies stock-based compensation expense in its statements of operations in the same manner in which the award recipient's payroll costs are classified or in which the award recipients' service payments are classified.

The Company was a private company until the completion of its IPO on September 17, 2024. The Company estimates the fair value of common stock using an appropriate valuation methodology, in accordance with the framework of the American Institute of Certified Public Accountants' Technical Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include a number of objective and subjective factors, including external market conditions, guideline public company information, the prices at which the Company sold its common stock to third parties in arms' length transactions, the rights and preferences of securities senior to the Company's common stock at the time, and the likelihood of achieving a liquidity event such as an initial public offering or sale. Significant changes to the assumptions used in the valuations could result in different fair values of stock options or warrants at each valuation date, as applicable.

The fair value of each stock option or warrant grant is estimated using the Black-Scholes option-pricing model. The Company was a private company and lacked company-specific historical and implied volatility information. Therefore, it estimated its expected stock volatility based on the historical volatility of a publicly traded set of peer companies within the biotechnology industry with characteristics similar to the Company. The expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. The expected term of stock options granted to non-employees is equal to the contractual term of the option award. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is zero, based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.

Off-Balance Sheet Arrangements

During the years ended December 31, 2022 and 2023, and the nine months ended September 30, 2024, we did not have, and we do not currently have, any off-balance sheet arrangements (as defined under SEC rules).

Recent Accounting Pronouncements

For a description of recently issued accounting standards that may have a material impact on our financial statements or will otherwise apply to our operations, please see Note 2 to our unaudited financial statements appearing elsewhere in this Quartey Report.

Emerging Growth Company Status

As an "emerging growth company," the Jumpstart Our Business Startups Act of 2012 permits us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have irrevocably elected to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards when they are required to be adopted by public companies that are not emerging growth companies.

Components of Results of Operations

Net Sales

We have not generated any sales to date. There was no revenue recorded from any sources during the year ended December 31, 2023, and the nine months ended September 30, 2024.

Operating Expenses

Our operating expenses consist of (i) research and development expenses and (ii) general and administrative expenses.

Research and Development Expenses

Dr. Ramachandran Murali is our Vice President of Research and Development. Dr. Murali is a doctor and scientist at Cedars-Sinai Medical Center, and is the inventor, with others, of three of the patent technologies that are subject to the Kairos-Cedars license agreements.

We are engaged in rolling out Phase 1 and Phase 2 clinical trials for ENV-105 and a Phase 1 trial for KROS-201. In addition, we are continuously performing preclinical research including animal models of disease, medicinal chemistry laboratory studies, formulation, and toxicology and biodistribution studies. Our clinical development costs may vary significantly based on factors such as: per patient trial costs; the number of trials required for approval; the number of sites included in the trials; the location where the trials are conducted; the length of time required to enroll eligible patients; the number of patients that participate in the trials; the number of doses that patients receive; the drop-out or discontinuation rates of patients; potential additional safety monitoring requested by regulatory agencies; the duration of patient participation in the trials and follow-up; the cost and timing of manufacturing our product candidates; the phase of development of our product candidates; and the efficacy and safety profile of our product candidates.

The successful development and commercialization of product candidates is highly uncertain. This is due to the numerous risks and uncertainties associated with product development and commercialization, including the following: the timing and progress of nonclinical and clinical development activities; the number and scope of nonclinical and clinical programs we decide to pursue; raising necessary additional funds; the progress of the development efforts of parties with whom we may enter into collaboration arrangements; our ability to maintain our current development program and to establish new ones; our ability to establish new licensing or collaboration arrangements; the successful initiation and completion of clinical trials with safety, tolerability and efficacy profiles that are satisfactory to the FDA or any comparable foreign regulatory authority; the receipt and related terms of regulatory approvals from applicable regulatory authorities; the availability of drug substance and drug product for use in production of our product candidate; establishing and maintaining agreements with third-party manufacturers for clinical supply for our clinical trials and commercial manufacturing, if our product candidates are approved; our ability to obtain and maintain patents, trade secret protection and regulatory exclusivity, both in the United States and internationally; our ability to protect our rights in our intellectual property portfolio; the commercialization of our product candidates, if and when approved; obtaining and maintaining third-party insurance coverage and adequate reimbursement; the acceptance of our product candidate, if approved, by patients, the medical community and third-party payors; competition with other products; the impact of any business interruptions to our operations, including the timing and enrollment of patients in our planned clinical trials, or to those of our manufacturers, suppliers, or other vendors resulting from the COVID-19 pandemic or similar public health crisis; and a continued acceptable safety profile of our therapies following approval.

A change in the outcome of any of these variables with respect to the development of our product candidates could significantly change the costs and timing associated with the development of that product candidate. We may never succeed in obtaining regulatory approval for any of our product candidates.

General and administrative expenses

General and administrative expenses consist primarily of salaries and related costs for personnel in executive, finance, corporate and business development, as well as administrative functions. General and administrative expenses also include legal fees relating to patent, corporate, IPO-related matters, and reporting matters; professional fees for accounting, auditing, tax and administrative consulting services; insurance costs; administrative travel expenses; marketing expenses and other operating costs.

We anticipate that our general and administrative expenses will increase in the future as we increase our headcount to support our business operations. We also anticipate that we will incur increased accounting, audit, legal, regulatory, compliance and director and officer insurance costs, as well as investor and public relations expenses associated with being a public company.

Results of Operations

Comparison of the Three Months Ended September 30, 2024 and 2023

The following table summarizes our results of operations for the three months ended September 30, 2024 and 2023 (in thousands), respectively:

Operating Expenses:	September 30, 2024	September 30, 2023
Research and development	$ 14	$ 33
General and administrative	369	254
Total operating expenses	383	287
Loss from operations	(383)	(287)
Other expenses:		
Interest expense	(12)	(15)
Financing costs	(537)	-
Debt discount amortization	(115)	(10)
Total other expenses	(664)	(25)
Net loss	$ (1,047)	$ (312)

Research and Development Expenses

The table below summarizes our research and development expenses for the three months ended September 30, 2024 and 2023 (in thousands), respectively:

Research and Development Expenses:	September 30, 2024	September 30, 2023
Clinical and related expenses	$ 14	$ 33
Total research and development expenses	$ 14	$ 33

Research and development expenses were $14 and $33 for the three months ended September 30, 2024 and 2023, respectively. There were no significant changes between periods.

General and Administrative Expenses

The table below summarizes our general and administrative expenses for the three months ended September 30, 2024 and 2023 (in thousands), respectively:

General and Administrative Expenses:	September 30, 2024	September 30, 2023
Patent related expenses	$ 114	$ 109
Stock compensation	34	-
Accounting fees	30	47
Other professional fees	93	11
Fees relating to license agreements	29	30
Insurance expense	12	5
Amortization expense	40	40
Other expenses	17	12
Total general and administrative expenses	$ 369	$ 254

General and administrative expenses were $369 and $254 for the three months ended September 30, 2024 and 2023, respectively. There were no significant changes between periods.

Other Expenses

Other expenses were $664 and $25 for the three months ended September 30, 2024 and 2023, respectively. The increase in 2024 was due to financing costs recorded during 2024 of $537 and the increase in debt discount amortization in 2024.

Comparison of the Nine Months Ended September 30, 2024 and 2023

The following table summarizes our results of operations for the nine months ended September 30, 2024 and 2023 (in thousands), respectively:

Operating Expenses:	September 30, 2024	September 30, 2023
Research and development	$ 242	$ 75
General and administrative	655	550
Total operating expenses	897	625
Loss from operations	(897)	(625)
Other expenses:		
Interest expense	(35)	(39)
Financing costs	(537)	-
Debt discount amortization	(154)	(30)
Total other expenses	(726)	(69)
Net loss	$ (1,623)	$ (694)

Research and Development Expenses

The table below summarizes our research and development expenses for the nine months ended September 30, 2024 and 2023 (in thousands), respectively:

Research and Development Expenses:	September 30, 2024	September 30, 2023
Clinical and related expenses	$ 242	$ 75
Total research and development expenses	$ 242	$ 75

Research and development expenses were $242 and $75 for the nine months ended September 30, 2024 and 2023, respectively. The increase in 2024 primarily resulted from expenses relating to the beginning of our Phase 2 clinical trial for our lead product candidate ENV 105.

General and Administrative Expenses

The table below summarizes our general and administrative expenses for the nine months ended September 30, 2024 and 2023 (in thousands), respectively:

General and Administrative Expenses:	September 30, 2024	September 30, 2023
Patent related expenses	$ 123	$ 130
Legal fees	2	-
Stock compensation	34	-
Accounting fees	102	145
Other professional fees	125	33
Fees relating to license agreements	93	88
Insurance expense	33	11
Amortization expense	120	120
Other expenses	23	23
Total general and administrative expenses	$ 655	$ 550

General and administrative expenses were $655 and $550 for the nine months ended September 30, 2024 and 2023, respectively. There were no significant changes between periods.

Other Expenses

Other expenses were $726 and $69 for the nine months ended September 30, 2024 and 2023, respectively. The increase in 2024 was due to financing costs recorded during 2024 of $537 and the increase in debt discount amortization in 2024.

Liquidity and Capital Resources

During the year ended December 31, 2023, the Company incurred a net loss of $1,812 and had a shareholders' deficit of $2,078 as of December 31, 2023. As reflected in the accompanying condensed consolidated financial statements, during the nine months ended September 30, 2024, the Company incurred a net loss of $1,623 and used cash in operations of $2,152.

During the nine months ended September 30, 2024, the Company closed its initial public offering ("IPO") and received $5,524 of net proceeds from this offering, before deducting deferred offering costs. Due to the funds received through this offering, and the conversion of convertible notes payable and certain accounts payable upon the closing of the IPO, the Company had shareholders' equity of $3,332 at September 30, 2024. The Company now expects its cash, totaling $3,217 at September 30, 2024, to last into the fourth quarter of 2025.

The ability to continue as a going concern is dependent on the Company attaining and maintaining profitable operations in the future and raising additional capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. Since inception, the Company has funded its operations primarily through equity and debt financings and it expects to continue to rely on these sources of capital in the future.

No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to the Company. Even if the Company is able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing, or cause substantial dilution for our stockholders, in the case of equity financing.

Cash Flows for the Nine Months Ended September 30, 2024 and 2023

The table below summarizes our cash flow activities for the nine months ended September 30, 2024 and 2023 (in thousands), respectively:

	Nine months Ended September 30,	
Net cash provided by (used in):	**2024**	**2023**
Operating activities	$ (2,152)	$ 15
Investing activities	-	-
Financing activities	5,276	(353)
Net increase (decrease) in cash	$ 3,124	$ (338)

Operating Activities

During the nine months ended September 30, 2023, we provided cash from operating activities of $15, compared to $2,152 used during the nine months ended September 30, 2024. During the nine months ended September 30, 2024, we incurred a net loss of $1,623 and had non-cash expenses of $845, compared to a net loss of $694 and non-cash expenses of $150 during the nine months ended September 30, 2023. The primary non-cash expense incurred during both periods was amortization expense, totaling $120 during the nine months ended September 30, 2024 and 2023, respectively. The net change in assets and liabilities during the nine months ended September 30, 2023 provided cash of $559, compared to $1,374 used during the nine months ended September 30, 2024. The primary source of cash relating to the change in assets and liabilities for the nine months ended September 30, 2024 and 2023 was the increase in accounts payable and accrued expenses. The primary use of cash was the increase in vendor advances.

Investing Activities

There was no cash used in investing activities for the nine months ended September 30, 2024 and 2023.

Financing Activities

Net cash (used in) provided by financing activities for the nine months ended September 30, 2024 and 2023 was 5,276 and $(353), respectively. For the nine months ended September 30, 2024 and 2023, cash used in financing activities consisted of payments of deferred offering costs of $390 and $353, respectively. For the nine months ended September 30, 2024, cash provided by financing activities consisted of $5,524 of proceeds from common stock issued in connection with the IPO and $142 from notes payable – officers.

Debt Agreements

Advances from Related Parties

During the year ended December 31, 2021, shareholders of the Company, and a company whose principal stockholder is also a stockholder of the Company, advanced the Company $14, all of which was outstanding at December 31, 2021. The advances accrue no interest, are unsecured and are due on demand. As of December 31, 2021, $14 was owed on the advances. During the year ended December 31, 2022, the Company repaid $10 of the advances, and as of December 31, 2022 and 2023, and September 30, 2024, a total of $4 remained outstanding.

Convertible Notes Payable

During the year ended December 31, 2022, the Company entered into several convertible note payable agreements with certain investors. The convertible notes accrue interest at 6% per annum, are unsecured and are due by April 2025. If the Company does not close an IPO transaction within 12 months following the date of issuance of the notes, the Company will have the choice of paying off the principal plus all accrued and unpaid interest, or the note's principal balance will increase to 110% of its original balance. The notes are convertible at the option of the noteholders into shares of the Company's common stock at a price per share as defined in the agreement or will automatically be converted into shares of the Company's common stock at 60% of the IPO price per share upon the closing of the IPO. The convertible note offerings were completed pursuant to an exemption from registration under Rule 506(b) of the Securities Act. Boustead Securities, LLC acted as placement agent in each of the June and September 2022 private placements and received five-year warrants to purchase shares of common stock equal to 7.0% of the number of the conversion shares at an exercise price equal to the conversion price.

As of September 30, 2024, $792 of principal was outstanding on the notes and $92 of accrued and unpaid interest, which automatically converted into 368,371 shares of the Company's common stock upon the closing of the Company's IPO.

Notes Payable - Officers

During the nine months ended September 30, 2024, the Company borrowed $142 from three of its officers. The loans accrue interest at 7.5% per annum, are unsecured and are due one year from the issuance date, with the due dates ranging from April 2025 to August 2025.

Subsequent to September 30, 2024, the loans were repaid and the officers were granted 36,269 shares of the Company's common stock.

Conversion of Accounts Payable

Subsequent to December 31, 2023, we entered into agreements with Cedars-Sinai Medical Center ("Cedars") under which Cedars agreed to convert $750 of the $988 total accounts payable due to them into 312,500 shares of our common stock, with such conversion to occur upon the closing of the Company's IPO. The conversion price of the shares will be equal to 60% of the per share IPO price. Upon the closing of the Company's IPO, the 312,500 shares were issued to Cedars and the $750 of debt was forgiven.

Conversion of Amounts Due to Related Parties

Subsequent to December 31, 2023, two officers and shareholders agreed to convert the $4 due to them into 1,664 shares of the Company's common stock, effective upon the closing of the Company's IPO. The conversion price of the shares was equal to 60% of the per share IPO purchase price. During the three months ended September 30, 2024, the debt converted, and the 1,664 shares were issued.

As of September 30, 2024, an officer converted $172 of accounts payable owed primarily for past services into 51,610 shares of the Company's common stock, effective upon the closing of the Company's IPO. The conversion price of the shares was equal to the IPO per share purchase price times a multiple of 1.2, as per the officer's employment agreement.

Funding Requirements

We expect our expenses to increase substantially in connection with our ongoing research activities, particularly as we pursue the advancement of our product candidates through clinical trials. In addition, we expect to incur additional costs associated with operating as a public company. The timing and amount of our operating expenditures will depend on numerous variables, including: the initiation, progress, timing, costs and results of the clinical trials for our product candidates or any future product candidates we may develop; the initiation, progress, timing, costs and results of nonclinical studies for our product candidates or any future product candidates we may develop; our ability to maintain our relationships with key collaborators; the outcome, timing and cost of seeking and obtaining regulatory approvals from the FDA and comparable foreign regulatory authorities, including the potential for such authorities to require that we perform more nonclinical studies or clinical trials than those that we currently expect or change their requirements on studies that had previously been agreed to; the cost to establish, maintain, expand, enforce and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with licensing, preparing, filing, prosecuting, defending and enforcing any patents or other intellectual property rights; the effect of competing technological and market developments; the costs of continuing to grow our business, including hiring key personnel and maintain or acquiring operating space; market acceptance of any approved product candidates, including product pricing, as well as product coverage and the adequacy of reimbursement by third-party payors; the cost of acquiring, licensing or investing in additional businesses, products, product candidates and technologies; the cost and timing of selecting, auditing and potentially validating a manufacturing site for commercial-scale manufacturing; the cost of establishing sales, marketing and distribution capabilities for any product candidates for which we may receive regulatory approval and that we determine to commercialize; and our need to implement additional internal systems and infrastructure, including financial and reporting systems.

We believe that our existing cash, plus the net proceeds from the IPO, will enable us to fund our operating expenses and capital expenditure requirements for at least the next 12 months. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. We expect that we will require additional funding to complete the clinical development and commercialize our product candidates, if we receive regulatory approval, and pursue in-licenses or acquisitions of other product candidates. If we receive regulatory approval for our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, sales, marketing and distribution, depending on where we choose to commercialize ourselves.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity and debt financings, collaborations, strategic alliances, and marketing, distribution or licensing arrangements with third parties. To the extent that we raise additional capital through the sale of equity or convertible debt securities, ownership interest may be materially diluted, and the terms of such securities could include liquidation or other preferences that adversely affect the rights of our current common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include restrictive covenants that limit our ability to take specified actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, reduce or eliminate our product development or future commercialization efforts, or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations and Commitments

Kairos Agreement with Prevail Infoworks, Inc.

In August 2024, the Company entered into a master service and technology agreement with Prevail Infoworks, Inc. (“Prevail”), pursuant to which Prevail agreed to provide certain clinical research services to the Company. As part of the agreement, the Company must make an advance payment of $900 to Prevail before they begin their services and, at such time as we notify Prevail to engage their services related to the relevant clinical trial, or six months from the date of the agreement, pay approximately $80 per month during the time Prevail performs clinical research services for the Company’s Phase 2 ENV 105 prostate and Phase 1 ENV 105 lung clinical trials. The agreement with Prevail is subject to cancellation at any time upon 30 days’ written notice to the other party. The Company made the advance payment to Prevail in October 2024.

Kairos Agreement with PreCheck Health Services, Inc.

On September 20, 2024, the Company entered into a bioassay services agreement (the “Bioassay Services Agreement”) with PreCheck Health Services, Inc., a Florida-based corporation (“PreCheck”). Pursuant to the Bioassay Services Agreement, PreCheck will provide certain biomarker screening services for the Company’s ongoing carotuximab (ENV105) clinical trials in order to assist the Company in identifying lung and prostate cancer patients suitable to the Company’s ongoing Phase 1 clinical trials for lung cancer patients and Phase 2 trials for patients with castrate resistant prostate cancer. In order to identify biomarkers for patient screening and therapy monitoring using carotuximab (ENV105), PreCheck will utilize its SolidTumorCheck+ platform for the somatic gene expression analysis of biopsy tissue samples derived from patients with lung and prostate cancer, as part of the Company’s ongoing clinical trials. In furtherance of these efforts, PreCheck will develop a companion diagnostic to support its identification of such patients with a three gene PCR analysis or other genetic analysis, which diagnostic test will then be developed and submitted to the FDA for castrate-resistant prostate cancer patients and for lung cancer patients on Tagrisso. In exchange for PreCheck’s services, and according to the terms of the Bioassay Services Agreement, the Company paid $900 to PreCheck as an advance for the future laboratory services to be performed. The payment of $900 is included in vendor advances on the accompanying balance sheet as of September 30, 2024. The term of the agreement is one year from the effective date.

Kairos Agreement with CEO.CA Technologies Ltd.

On September 23, 2024, the Company entered into an advisory and consulting services agreement (the “CEO.CA Agreement”) with CEO.CA Technologies Ltd., a Canadian company (“CEO.CA”), pursuant to which CEO.CA will provide certain internet-based financial information and communications services for a period of one year for a services fee of $250. The service fee is an advance on future services to be performed. The CEO.CA Agreement includes such services as strategic news placement, news releases, interviews, monthly analytics and a video launch. The CEO.CA Agreement contains other customary clauses, including representations and warranties, indemnification clauses and governing law clauses. The payment of $250 is included in vendor advances on the accompanying balance sheet as of September 30, 2024.

Kairos Agreement with Belair Capital Advisors Inc.

On September 23, 2024, the Company entered into a strategic advisory agreement (the “Strategic Advisory Agreement”) with Belair Capital Advisors Inc. (“BCA”). BCA, a venture capital and corporate finance advisory firm, has been a long-term investor and advisor to the Company and frequently works with early-stage pharmaceutical companies. The strategic advisory services consist of corporate strategy, market positioning and long-term growth plans within the pharmaceutical sector, digital marketing and engagement, market research analysis and business development assistance, among other things. During the one-year term of the Strategic Advisory Agreement, in exchange for its services, the Company will pay BCA a $365 fee and will issue BCA 50,000 RSUs, which will vest at the end of six months. The payment of $365 is included in vendor advances on the accompanying balance sheet as of September 30, 2024.

The Company valued the 50,000 shares of common stock at $100 based on the Company’s closing stock price on the effective date of the agreement. The fair value will be amortized over the one-year term of the agreement.

Kairos Agreement with Cross Current Capital LLC

On October 1, 2024, the Company entered into a consulting agreement (the “Consulting Agreement”) with Cross Current Capital LLC, a limited liability company organized under the laws of Puerto Rico (“Cross Current”), and Alan Masley (the “Advisor”), pursuant to which Cross Current agreed to provide certain financial and business consulting services to the Company including, but not limited, to (a) help drafting a public company competitive overview, (b) help preparing and/or reviewing a valuation analysis, (c) help in drafting marketing materials and presentations, (d) reviewing the Company’s business requirements and discuss financing and businesses opportunities, (e) investor marketing, (f) investor relations introductions, (g) legal counsel introductions, (h) auditor introductions, (i) investment banking and research introductions, (j) M&A canvassing and ways to grow the business organically, and (k) stand by capital markets advisory services. For the services rendered thereunder, the Company agreed to pay Cross Current $200,000 in cash and agreed to issue

to the Advisor restricted shares of the Company's common stock, issuable under the Company's 2023 Equity Inventive Plan, in an amount equal to $500,000 (the "Shares"), which Shares shall vest at the end of six months after issuance. The term of the Consulting Agreement is 24 months and can be extended for another 12 months upon the written consent of both parties. The Company made the $200 payment in October 2024.

Exclusive License Agreements with Cedars

We have entered into four Exclusive License Agreements with Cedars which grants us licensing rights with respect to certain patent rights owned by Cedars as follows:

1. Methods of use of compounds that bind to RelA of NFkB;

2. Composition and methods for treating fibrosis;

3. Compositions and methods for treating cancer and autoimmune diseases; and

4. Method of generating activated T cells for cancer therapy.

On June 2, 2021, our wholly owned subsidiary, Enviro, entered into two Exclusive License Agreements with Cedars, which granted Enviro exclusive licensing rights (which include the right to sublicense) with respect to certain patent rights owned by Cedars, as follows:

- an Exclusive License Agreement (the "Enviro-Cedars License Agreement (Mitochondrial DNA)") for Enviro to develop, manufacture, use and sell products utilized or derived from patent rights worldwide related to the "Compositions and Methods for Treating Diseases and Conditions by Depletion of Mitochondrial DNA from Circulation and for Detection of Mitochondrial DNA" invented by Dr. Neil Bhowmick and others; and
- an Exclusive License Agreement, (the "Enviro-Cedars License Agreement (Endoglin Antagonism)" and, collectively with the Enviro-Cedars License Agreement (Mitochondrial DNA), the "Enviro-Cedars License Agreements") for Enviro to develop, manufacture, use and sell products utilized or derived from the patent rights and technical information worldwide related to the "Sensitization of Tumors to Therapies Through Endoglin Antagonism" invented by Dr. Neil Bhowmick and others.

Agreement with former Chief Financial Officer

We have an agreement with our former Chief Financial Officer that requires us to pay $50 upon the completion of raising more than $900 in a debt or an equity financing. No amount was owed at December 31, 2022 or 2023, but $50 was owed as of September 30, 2024. In addition, on September 27, 2023, we entered into an employment agreement with our current Chief Financial Officer, which became effective upon completion of the Company's IPO.

Item 3. Quantitative and Qualitative Disclosures about Market Risks.

As a "smaller reporting company," we are not required to provide the information required by this Item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, refers to controls and procedures that are designed to ensure that information required to be disclosed by a 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 SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that such information is accumulated and communicated to a company's management, including its principal executive and principal financial officers, as appropriate to allow for timely decisions regarding required disclosure. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of September 30, 2024. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective at a reasonable assurance level as of September 30, 2024.

In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any system of controls is also based in part upon 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; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the period covered by this Quarterly Report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not presently party to any pending or other threatened legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results, although from time to time, we may become involved in legal proceedings in the ordinary course of business. We maintain insurance policies in amounts and with the coverage and deductibles we believe are adequate, based on the nature and risks of our business, historical experience and industry standards.

Item 1A. Risk Factors

As a smaller reporting company, we are not required to provide the information required by this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosure.

Not applicable.

Item 5. Other Information.

During the period ended September 30, 2024, none of our directors or executive officers adopted or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as each item is defined Item 408(a) of Regulation S-K).

Item 6. Exhibits.

Exhibit Number	Description
3.1	Certificate of Incorporation of Kairos Pharma, Ltd. filed with the Secretary of State of the State of Delaware, dated May 10, 2023 (incorporated by reference to Exhibit 3.5 to the Company's Registration Statement on Form S-1, filed on August 16, 2024).
3.2	Bylaws of Kairos Pharma, Ltd. (Delaware) (incorporated by reference to Exhibit 3.6 to the Company's Registration Statement on Form S-1, filed on August 16, 2024).
4.1	Form of Representative's Warrant (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1, filed on August 16, 2024)
10.1	Bioassay Services Agreement, dated September 20, 2024, between the Company and PreCheck (incorporated by reference to Exhibit 10.1 to the Company's current Report on Form 8-K filed on September 24, 2024).
10.2	Form of Advertising Services Agreement, dated September 23, 2024, between the Company and CEO.CA Technologies, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 27, 2024).
10.3	Form of Advisory & Consulting Agreement, dated September 23, 2024, between the Company and Belair Capital Advisors Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on September 27, 2024).
10.4	Consulting Agreement, dated October 1, 2024, between Kairos Pharma, Ltd, Cross Current Capital LLC and Alan Masley (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed October 4, 2024).
10.5	Purchase Agreement, dated November 12, 2024, by and between Kairos Pharma, Ltd. and Helena Global Investment Opportunities I Ltd.
10.6	Second Conversion Agreement, dated November 13, 2024, by and between Kairos Pharma, Ltd. and Cedars-Sinai Medical Center.
10.7	Third Amendment to Exclusive License Agreement (Cancer Autoimmune), dated November 13, 2024, by and between Kairos Pharma, Ltd. and Cedars-Sinai Medical Center.
10.8	Fourth Amendment to Exclusive License Agreement (Depletion of DNA), dated November 13, 2024, by and between Kairos Pharma, Ltd. and Cedars-Sinai Medical Center and Enviro Therapeutics, Inc,
10.9	Third Amendment to Exclusive License Agreement (Fibrosis), dated November 13, 2024, by and between Kairos Pharma, Ltd. and Cedars-Sinai Medical Center.
10.10	Third Amendment to Exclusive License Agreement (RelA of NF-kB), dated November 13, 2024, by and between Kairos Pharma, Ltd. and Cedars-Sinai Medical Center.
10.11	Fourth Amendment to Exclusive License Agreement (Sensitization of Solid Tumors), dated November 13, 2024, by and between Enviro Therapeutics Inc. and Cedars-Sinai Medical Center.
10.12	Form of the Amendment No.1 to the Employment Agreement by and between Kairos Pharma, Ltd and Doug Samuelson
10.13	Form of the Amendment No.1 to the Employment Agreement by and between Kairos Pharma, Ltd and Dr. Ramachandran Murali
10.14	Form of the Amendment No.1 to the Employment Agreement by and between Kairos Pharma, Ltd and Dr. Neil Bhowmick
10.15	Form of Amendment No. 1 to Employment Agreement by and between Kairos Pharma, Ltd. and John S. Yu
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	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.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document.
101.SCH**	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith.

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.

Date: November 14, 2024

KAIROS PHARMA, LTD.

By: */s/ John S. Yu*
John S. Yu
Chief Executive Officer and Chairman of the Board of Directors
(principal executive officer)

By: */s/ Douglas Samuelson*
Douglas Samuelson
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.5

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement"), dated as of November 12, 2024 (the "Effective Date"), is made by and between **HELENA GLOBAL INVESTMENT OPPORTUNITIES I LTD.** (the "Investor"), and **KAIROS PHARMA, LTD.**, a Delaware corporation (the "Company").

WHEREAS, the parties desire that, upon the terms and subject to the conditions contained herein, the Company shall have the right to issue and sell to the Investor, from time to time as provided herein, and the Investor shall purchase from the Company, up to Thirty Million United States Dollars ($30,000,000) of the Company's shares of common stock, par value $0.001 per share (the "Common Stock"); and

WHEREAS, the Common Stock is listed for trading on the NYSE American under the symbol "KAPA"; and

WHEREAS, the offer and sale of the Common Stock issuable hereunder will be made in reliance upon Section 4(a)(2) under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), or upon such other exemption from the registration requirements of the Securities Act as may be available with respect to any or all of the transactions to be made hereunder.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I
CERTAIN DEFINITIONS

"Advance" shall mean the portion of the Commitment Amount requested by the Company in an Advance Notice.

"Advance Date" shall mean the 3rd Trading Day after expiration of the applicable Pricing Period for each Advance.

"Advance Halt" shall have the meaning set forth in Section 2.05(d).

"Advance Notice" shall mean a written notice in the form of Exhibit A attached hereto to the Investor executed by an officer of the Company or other authorized representative of the Company identified on Schedule 1 hereto and setting forth the amount of an Advance that the Company desires to issue and sell to the Investor.

"Advance Notice Confirmation" shall have the meaning set forth in Section 2.03(a).

"Advance Notice Date" shall mean each date the Company delivers (in accordance with Section 2.03 of this Agreement) to the Investor an Advance Notice, subject to the terms of this Agreement.

"Affiliate" shall have the meaning set forth in Section 3.07.

"Agreement" shall have the meaning set forth in the preamble of this Agreement.

"Applicable Laws" shall mean all applicable laws, statutes, rules, regulations, orders, executive orders, directives, policies, guidelines and codes having the force of law, whether local, national, or international, as amended from time to time, including without limitation (i) all applicable laws that relate to money laundering, terrorist financing, financial record keeping and reporting, (ii) all applicable laws that relate to anti-bribery, anti-corruption, books and records and internal controls, including the United States Foreign Corrupt Practices Act of 1977, and (iii) any Sanctions laws.

"Bankruptcy Law" means Title 11, U.S. Code, or any similar federal, state or similar laws for the relief of debtors.

"Black Out Period" shall have the meaning set forth in Section 6.02.

"Business Day" means any day on which the Principal Market or Trading Market is open for trading, including any day on which the Principal Market or Trading Market is open for trading for a period of time less than the customary time.

"Buy-In" shall have the meaning set forth in Section 2.06.

"Buy-In Price" shall have the meaning set forth in Section 2.06.

"Closing" shall have the meaning set forth in Section 2.05.

"Commitment Amount" shall mean Thirty Million United States Dollars ($30,000,000), *provided that*, the Company shall not effect any sales under this Agreement and the Investor shall not have the obligation to purchase Common Stock under this Agreement to the extent (but only to the extent) that after giving effect to such purchase and sale the aggregate number of shares Common Stock issued under this Agreement would exceed 19.99% of the outstanding shares of Common Stock as of the date of this Agreement (the "Exchange Cap"); *provided further that*, the Exchange Cap will not apply if the Company's stockholders have approved issuances in excess of the Exchange Cap in accordance with the rules of the Trading Market.

"Commitment Fee Shares" shall have the meaning set forth in Section 13.04.

"Commitment Period" shall mean the period commencing on the date hereof and expiring upon the date of termination of this Agreement in accordance with Section 11.02.

"Common Stock" shall have the meaning set forth in the recitals of this Agreement.

"Company" shall have the meaning set forth in the preamble of this Agreement.

"Condition Satisfaction Date" shall have the meaning set forth in Section 7.01

"Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"DTC" means the Depository Trust Company.

"DWAC Shares" means the Commitment Fee Shares or the shares of Common Stock acquired or purchased by the Investor pursuant to this Agreement (a) that the Investor has resold in a manner described under the caption "Plan of Distribution" in the Registration Statement and otherwise in compliance with this Agreement before the delivery of the Transfer Agent Confirmation regarding the resale of such Commitment Fee Shares or shares of Common Stock (as applicable) in accordance with this Agreement, and (b) about which the Investor has (i) delivered to the Company and the transfer agent to the Company (A) the Transfer Agent Confirmation relating to such Commitment Fee Shares or shares of Common Stock (as applicable) and (B) a customary representation letter from the Investor, and, if requested by the transfer agent, its broker, confirming, among other things, the resale of such Commitment Fee Shares or shares of Common Stock (as applicable) in the manner described in clause (a) of this definition of DWAC Shares (including confirmation of compliance with any relevant prospectus delivery requirements), and (ii) delivered to the transfer agent instructions for the delivery of such Commitment Fee Shares or shares of Common Stock (as applicable) to the account with DTC of the Investor's designated broker-dealer as specified in the Transfer Agent Deliverables, which Commitment Fee Shares or shares of Common Stock (as applicable) will be in the hands of the persons who purchase such Commitment Fee Shares or shares of Common Stock (as applicable) from the Investor in the manner described in clause (a) of this definition of DWAC Shares, freely tradable and transferable without restriction on resale and without stop transfer instructions maintained against the transfer thereof.

"Environmental Laws" shall have the meaning set forth in Section 4.08.

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

"Hazardous Materials" shall have the meaning set forth in Section 4.08.

"Indemnified Liabilities" shall have the meaning set forth in Section 5.01.

"Investor" shall have the meaning set forth in the preamble of this Agreement.

"Investor Indemnitees" shall have the meaning set forth in Section 5.01.

"Material Adverse Effect" shall mean any event, occurrence or condition that has had or would reasonably be expected to have (i) a material adverse effect on the legality, validity or enforceability of this Agreement or the transactions contemplated herein, (ii) a material adverse effect on the results of operations, assets, business or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

"Material Outside Event" shall have the meaning set forth in Section 6.08.

"Maximum Advance Amount" shall be an amount equal to lesser of (i) fifty percent (50%) of the average of the Daily Value Traded of the Common Stock over the five (5) Trading Days immediately preceding an Advance Notice, and (ii) ten million United States Dollars ($10,000,000); provided, however, that the parties hereto may modify the aforementioned conditions by mutual prior written consent. For purposes hereof, "Daily Value Traded" is the product obtained by multiplying the daily trading volume of the Common Stock on the Principal Market or Trading Market during regular trading hours as reported by Bloomberg L.P., by the VWAP for such Trading Day. For the avoidance of doubt, the daily trading volume shall include all trades on the Principal Market or Trading Market during regular trading hours.

"OFAC" shall mean the U.S. Department of Treasury's Office of Foreign Asset Control.

"Ownership Limitation" shall have the meaning set forth in Section 2.04(a).

"Person" shall mean an individual, a corporation, a partnership, a limited liability company, a trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Placement Agent" shall mean Boustead Securities, LLC.

"Plan of Distribution" shall mean the section of a Registration Statement disclosing the plan of distribution of the Common Stock.

"Pricing Period" shall mean, in respect of any Advance, the three (3) Trading Days commencing on the date of the Investor's receipt of the shares of Common Stock relating to such Advance.

"Principal Market" shall mean the NYSE American.

"Purchase Price" shall mean 95% of the lowest intraday sale price for the Common Stock during the Pricing Period.

"Registrable Securities" shall mean (i) the Shares, and (ii) any securities issued or issuable with respect to any of the foregoing by way of exchange, stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization or otherwise.

"Registration Limitation" shall have the meaning set forth in Section 2.04(b).

"Registration Statement" shall mean a registration statement on Form S-1 or Form S-3 or on such other form promulgated by the SEC for which the Company then qualifies and which counsel for the Company shall deem appropriate, and which form shall be available for the registration of the resale by the Investor of the Registrable Securities under the Securities Act.

"Resale Registration Statement" shall mean a registration statement on Form S-1 registering the Commitment Fee Shares for resale.

"Regulation D" shall mean the provisions of Regulation D promulgated under the Securities Act.

"Required Delivery Date" means any date on which the Company or its transfer agent is required to deliver Common Stock to Investor hereunder.

"Rule 144 Holding Period" means six months from the date of issuance of any Common Stock issuable hereunder or such date as shall be required to comply with Rule 144 of the Securities Act.

"Sanctions" means any sanctions administered or enforced by OFAC, the U.S. State Department, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Sanctions Programs" means any OFAC economic sanction program (including, without limitation, programs related to Crimea, Cuba, Iran, North Korea, Sudan and Syria).

"SEC" shall mean the U.S. Securities and Exchange Commission.

"SEC Documents" shall have the meaning set forth in Section 4.04.

"Securities Act" shall have the meaning set forth in the recitals of this Agreement.

"Settlement Date" shall mean the 3rd Trading Day after expiration of the applicable Pricing Period for each Advance.

"Settlement Document" shall have the meaning set forth in Section 2.05(a).

"Shares" shall mean the Common Stock to be issued from time to time hereunder pursuant to an Advance.

"Subsidiaries" shall have the meaning set forth in Section 4.01.

"Trading Day" shall mean any day during which the Principal Market or Trading Market shall be open for business.

"Trading Market" shall mean the New York Stock Exchange, the NYSE American, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, or the NYSE Euronext, whichever is at the time the principal trading exchange or market for the Common Stock.

"Transaction Documents" shall have the meaning set forth in Section 4.02.

"Transfer Agent Deliverables" shall have the meaning set forth in Section 2.03(b).

"VWAP" means, for any Trading Day, the daily volume weighted average price of the Common Stock for such Trading Day on the Principal Market or Trading Market from 9:30 a.m. Eastern Time through 4:00 p.m. Eastern Time, excluding the opening price and the closing price; provided, however upon an Advance Halt the VWAP calculation shall terminate as of the effective time of the Material Outside Event.

ARTICLE II

ADVANCES

Section 2.01 Advances; Mechanics. Subject to the terms and conditions of this Agreement (including, without limitation, the provisions of Article VII hereof), the Company at its sole and exclusive option, may issue and sell to the Investor, and the Investor shall purchase from the Company, Common Stock on the terms set forth herein.

Section 2.02 Advance Notice. At any time during the Commitment Period, the Company may require the Investor to purchase Common Stock by delivering an Advance Notice to the Investor, subject to the conditions set forth in Section 7.01, and in accordance with the following provisions:

a. The Company shall, in its sole discretion, select the amount of the Advance, not to exceed the Maximum Advance Amount, it desires to issue and sell to the Investor in each Advance Notice and the time it desires to deliver each Advance Notice.

b. There shall be no mandatory minimum Advances and no non-usages fee for not utilizing the Commitment Amount or any part thereof.

c. The Advance Notice shall be valid upon delivery to Investor in accordance with Exhibit C.

Section 2.03 Date of Delivery of Advance Notice; Issuance of Shares.

a. An Advance Notice shall be deemed delivered on the day it is received by the Investor if such notice is received by email prior to 8:30 a.m. Eastern Time (or later if waived by the Investor in its sole discretion) in accordance with the instructions set forth on Exhibit C. Following the receipt of such Advance Notice the Investor shall promptly provide the Company with a confirmation of its receipt of such Advance Notice, which receipt may be in the form of an email (each, an "Advance Notice Confirmation").

b. Promptly after receipt of the Advance Notice with respect to each Advance (and, in any event, not later than one (1) Trading Days after such receipt), the Company will, or will cause its transfer agent to, issue in the Investor's name in a DRS account or accounts at the transfer agent all the shares of Common Stock purchased by Investor pursuant to such Advance. Such Common Stock shall constitute "restricted securities" as such term is defined in Rule 144(a)(3) under the Securities Act and the certificate or book-entry statement representing such Shares shall bear the restrictive legend under the Securities Act set forth in Section 9.1(iii). Notwithstanding the foregoing, if the Investor are to be resold the Common Stock in a manner described under the caption "Plan of Distribution" in the Registration Statement and otherwise in compliance with this Agreement prior to the delivery by the Investor to the Company of the appliable Advance Notice Confirmation, the Investor shall concurrently with the delivery by the Investor to the Company of such Advance Notice Confirmation deliver to the transfer agent the items set forth in clause (b) of the definition of DWAC Shares with respect to such resold shares of Common Stock and such other items as the transfer agent may reasonably request (collectively, the "Transfer Agent Deliverables"). With respect to shares of Common Stock or Commitment Fee Shares to be resold by the Investor as described in the preceding sentence and as to which the Investor has timely delivered the Transfer Agent Deliverables with respect to such shares of Common Stock or Commitment Fee Shares, such securities shall be delivered and credited by the transfer agent using the Fast Automated Securities Transfer (FAST) Program maintained by DTC (or any similar program hereafter adopted by DTC performing substantially the same function) to the account with DTC of the Investor's designated Broker-Dealer as specified in the Transfer Agent Deliverables with respect to such securities at the time such securities would otherwise have been required to be delivered to the Investor in accordance with this Agreement, which securities (x) shall only be used by the Investor's Broker-Dealer to deliver such securities to DTC for the purpose of settling the Investor's share delivery obligations with respect to the sale of such Common Shares or Commitment Fee Shares (as applicable), which may include delivery to other accounts of such Broker-Dealer and inclusion in the number of shares of Common Stock or Commitment Fee Shares delivered by that Broker-Dealer in "net settling" that Broker-Dealer's trading of shares of Common Stock, including its positions with the Broker-Dealers of the respective persons who purchase such securities from the Investor, and (y) shall remain "restricted securities" as such term is defined in Rule 144(a)(3) under the Securities Act until so delivered. The Company and the Investor acknowledge that such Commitment Fee Shares or shares of Common Stock (as applicable) credited to the account with DTC of the Investor's designated Broker-Dealer shall be eligible for transfer to the third-party purchasers of such Commitment Fee Shares or shares of Common Stock or their respective Broker-Dealers as DWAC Shares. No fractional shares shall be issued, and any fractional amounts shall be rounded to the next higher whole number of shares.

Section 2.04 Advance Limitations. Regardless of the amount of an Advance requested by the Company in the Advance Notice, the final amount of an Advance pursuant to an Advance Notice shall be reduced in accordance with each of the following limitations:

a. Ownership Limitation; Commitment Amount. In no event shall the number of shares of Common Stock issuable to the Investor pursuant to an Advance cause the aggregate number of Shares beneficially owned (as calculated pursuant to Section 13(d) of the Exchange Act) by the Investor and its Affiliates as a result of previous issuances and sales of Common Stock to Investor under this Agreement to exceed 9.99% of the then issued and outstanding Common Stock (the "Ownership Limitation"). In connection with each Advance Notice delivered by the Company, any portion of an Advance that would (i) cause the Investor to exceed the Ownership Limitation or (ii) cause the aggregate number of shares of Common Stock issued and sold to the Investor hereunder to exceed the Commitment Amount shall automatically be withdrawn with no further action required by the Company, and such Advance Notice shall be deemed automatically modified to reduce the amount of the Advance requested by an amount equal to such withdrawn portion; provided that in the event of any such automatic withdrawal and automatic modification, Investor will promptly notify the Company of such event.

b. Registration Limitation. In no event shall an Advance exceed the amount registered under the Registration Statement then in effect (the "Registration Limitation") or the Exchange Cap to the extent applicable. In connection with each Advance Notice, any portion of an Advance that would exceed the Registration Limitation or Exchange Cap shall automatically be withdrawn with no further action required by the Company and such Advance Notice shall be deemed automatically modified to reduce the aggregate amount of the requested Advance by an amount equal to such withdrawn portion in respect of each Advance Notice; provided that in the event of any such automatic withdrawal and automatic modification, Investor will promptly notify the Company of such event.

c. Notwithstanding any other provision in this Agreement, the Company and the Investor acknowledge and agree that upon the Investor's receipt of a valid Advance Notice the parties shall be deemed to have entered into an unconditional contract binding on both parties for the purchase and sale of Common Stock pursuant to such Advance Notice in accordance with the terms of this Agreement and subject to Applicable Law and Section 3.08 (Trading Activities), the Investor may sell Common Stock during the Pricing Period.

Section 2.05 Closings. The closing of each Advance and each sale and purchase of Common Stock related to each Advance (each, a "Closing") shall take place on the applicable Settlement Date in accordance with the procedures set forth below. The parties acknowledge that the Purchase Price is not known at the time the Advance Notice is delivered (at which time the Investor is irrevocably bound) but shall be determined on each Closing based on the daily prices of the Common Stock that are the inputs to the determination of the Purchase Price as set forth further below. In connection with each Closing, the Company and the Investor shall fulfill each of its obligations as set forth below:

a. On the Settlement Date in respect of an Advance, the Investor shall deliver to the Company a written document, in the form attached hereto as Exhibit B (each a "Settlement Document"), setting forth the final number of shares of Common Stock to be purchased by the Investor (taking into account any adjustments pursuant to Section 2.04), the Purchase Price, the aggregate proceeds to be paid by the Investor to the Company, and a report by Bloomberg, L.P. indicating the lowest intraday sale price for the Common Stock for each of the Trading Days during the Pricing Period (or, if not reported on Bloomberg, L.P., another reporting service reasonably agreed to by the parties), in each case in accordance with the terms and conditions of this Agreement. The Investor shall pay to the Company the aggregate purchase price of the Common Stock (as set forth in the Settlement Document) in cash in immediately available funds to an account designated by the Company in writing and transmit notification to the Company that such funds transfer has been requested.

b. Notwithstanding anything to the contrary in this Agreement, if on any day during the Pricing Period (i) the Company notifies Investor that a Material Outside Event set forth in Section 6.08(i) through (v) has occurred or if the Material Outside Event set forth in Sections 6.08(vi) or (vii) shall have occurred, or (ii) the Company notifies the Investor of a Black Out Period, the parties agree that the pending Advance shall end (the "Advance Halt") and the final number of shares of Common Stock to be purchased by the Investor at the Closing for such Advance shall be equal to the number of shares of Common Stock sold by the Investor during the applicable Pricing Period prior to the notification from the Company of a Material Outside Event or Black Out Period.

c. On or prior to the Settlement Date, each of the Company and the Investor shall deliver to the other all documents, instruments and writings expressly required to be delivered by either of them pursuant to this Agreement in order to implement and effect the transactions contemplated herein.

Section 2.06 Failure to Timely Deliver.

a. If on or prior to the Required Delivery Date either (I) if the transfer agent is not participating in the DTC Fast Automated Securities Transfer Program, the Company shall fail to issue and deliver a certificate to Investor and register such shares of Common Stock on the Company's share register or, if the transfer agent is participating in the DTC Fast Automated Securities Transfer Program, credit the balance account of Investor or Investor's designee with DTC for the number of shares of Common Stock to which Investor submitted for legend removal by Investor pursuant to clause (ii) below or otherwise or (II) if the Company's transfer agent is participating in the DTC Fast Automated Securities Transfer Program, the transfer agent fails to credit the balance account of Investor or Investor's designee with DTC for any shares of Common Stock submitted for legend removal by Investor, in each case, if and only if the Investor has delivered the Transfer Agent Deliverables in accordance with the requirements of Section 2.03(b) above, and the Company fails to promptly, but in no event later than one (1) Business Day (x) so notify Investor and (y) deliver the Common Stock electronically without any restrictive legend in accordance with the requirements of Section 2.03(b) above, and if on or after such Trading Day Investor purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by Investor of shares of Common Stock submitted for legend removal by Investor that Investor is entitled to receive from the Company (a "Buy-In"), then the Company shall, within one (1) Business Day after Investor's request and in Investor's discretion, either (i) pay cash to Investor in an amount equal to Investor's total purchase price (including brokerage commissions, borrow fees and other out-of-pocket expenses, if any, for the Common Stock so purchased) (the "Buy-In Price"), at which point the Company's obligation to so deliver such certificate or credit Investor's balance account shall terminate and such shares shall be cancelled, or (ii) promptly honor its obligation to so deliver to Investor a certificate or certificates or credit the balance account of Investor or Investor's designee with DTC representing such number of shares of Common Stock that would have been so delivered if the Company timely complied with its obligations hereunder and pay cash to Investor in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock that the Company was required to deliver to Investor by the Required Delivery Date multiplied by (B) the price at which Investor sold such shares of Common Stock in anticipation of the Company's timely compliance with its delivery obligations hereunder. Nothing shall limit Investor'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 certificates representing shares of Common Stock (or to electronically deliver such shares of Common Stock) as required pursuant to the terms hereof.

b. In the event the Investor sells shares of Common Stock after receipt of an Advance Notice and the Company fails to perform its obligations as mandated in Section 2.03, the Company agrees that in addition to and in no way limiting the rights and obligations set forth in Article V hereto and in addition to any other remedy to which the Investor is entitled at law or in equity, including, without limitation, specific performance, it will hold the Investor harmless against any loss, claim, damage, or expense (including, without limitation, all brokerage commissions, borrow fees, legal fees and expenses and all other related out-of-pocket expenses), as incurred, arising out of or in connection with such default by the Company and acknowledges that irreparable damage may occur in the event of any such default. It is accordingly agreed that the Investor shall be entitled to an injunction or injunctions to prevent such breaches of this Agreement and to specifically enforce (subject to the Securities Act and other rules of the Principal Market or Trading Market), without the posting of a bond or other security, the terms and provisions of this Agreement.

Section 2.07 RETURN OF SURPLUS. If the value of the Shares delivered to the Investor causes the Company to exceed the Commitment Amount, then the Investor shall return to the Company the surplus amount of Shares associated with such Advance.

Section 2.08 Completion of Resale Pursuant to the Registration Statement. After the Investor has purchased the full Commitment Amount and has completed the subsequent resale of the full Commitment Amount pursuant to the Registration Statement, the Investor will notify the Company that all subsequent resales are completed and the Company will be under no further obligation to maintain the effectiveness of the Registration Statement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF INVESTOR

Investor hereby represents and warrants to, and agrees with, the Company that the following are true and correct as of the date hereof and as of each Advance Notice Date and each Advance Date:

Section 3.01 Organization and Authorization. The Investor is duly organized, validly existing and in good standing under the laws of the Delaware and has all requisite power and authority to execute, deliver and perform this Agreement, including all transactions contemplated hereby. The decision to invest and the execution and delivery of this Agreement by the Investor, the performance by the Investor of its obligations hereunder and the consummation by the Investor of the transactions contemplated hereby have been duly authorized and require no other proceedings on the part of the Investor. The undersigned has the right, power and authority to execute and deliver this Agreement and all other instruments on behalf of the Investor or its shareholders. This Agreement has been duly executed and delivered by the Investor and, assuming the execution and delivery hereof and acceptance thereof by the Company, will constitute the legal, valid and binding obligations of the Investor, enforceable against the Investor in accordance with its terms.

Section 3.02 Evaluation of Risks. The Investor has such knowledge and experience in financial, tax and business matters as to be capable of evaluating the merits and risks of, and bearing the economic risks entailed by, an investment in the Common Stock of the Company and of protecting its interests in connection with the transactions contemplated hereby. The Investor acknowledges and agrees that its investment in the Company involves a high degree of risk, and that the Investor may lose all or a part of its investment.

Section 3.03 No Legal, Investment or Tax Advice from the Company. The Investor acknowledges that it had the opportunity to review this Agreement and the transactions contemplated by this Agreement with its own legal counsel and investment and tax advisors. The Investor is relying solely on such counsel and advisors and not on any statements or representations of the Company or any of the Company's representatives or agents for legal, tax, investment or other advice with respect to the Investor's acquisition of Common Stock hereunder, the transactions contemplated by this Agreement or the laws of any jurisdiction, and the Investor acknowledges that the Investor may lose all or a part of its investment.

Section 3.04 Investment Purpose. The Investor is acquiring the Common Stock 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, except pursuant to sales registered under or exempt from the registration requirements of the Securities Act; provided, however, that by making the representations herein, the Investor does not agree, or make any representation or warranty, to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities 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 Common Stock. The Investor acknowledges that it will be disclosed as an "underwriter" and a "selling stockholder" in each Registration Statement and in any prospectus contained therein.

Section 305. Accredited Investor. The Investor is an "Accredited Investor" as that term is defined in Rule 501(a)(3) of Regulation D.

Section 3.06 Information. The Investor and its advisors (and its counsel), if any, have been furnished with all materials relating to the business, finances and operations of the Company and information the Investor deemed material to making an informed investment decision. The Investor and its advisors (and its counsel), if any, have been afforded the opportunity to ask questions of the Company and its management and have received answers to such questions. Neither such inquiries nor any other due diligence investigations conducted by such Investor or its advisors (and its counsel), 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. The Investor acknowledges and agrees that the Company has not made to the Investor, and the Investor acknowledges and agrees it has not relied upon, any representations and warranties of the Company, its employees or any third party other than the representations and warranties of the Company contained in this Agreement. The Investor understands that its investment involves a high degree of risk. The Investor has sought such accounting, legal and tax advice, as it has considered necessary to make an informed investment decision with respect to the transactions contemplated hereby.

Section 3.07 Not an Affiliate. The Investor is not an officer, director or a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with the Company or any "affiliate" of the Company (as that term is defined in Rule 405 promulgated under the Securities Act).

Section 3.08 Trading Activities. The Investor's trading activities with respect to the Common Stock shall be in compliance with all applicable federal and state securities laws, rules and regulations and the rules and regulations of the Principal Market or Trading Market. Neither the Investor nor its affiliates has any open short position in the Common Stock, nor has the Investor entered into any hedging transaction that establishes a net short position with respect to the Common Stock, and the Investor agrees that it shall not, and that it will cause its affiliates not to, engage in any short sales or hedging transactions with respect to the Common Stock during the term of this Agreement; provided that the Company acknowledges and agrees that upon receipt of an Advance Notice the Investor has the right to sell (a) the Common Stock to be issued to the Investor pursuant to the Advance Notice prior to receiving such shares of Common Stock, or (b) other shares of Common Stock issued or sold by the Company to Investor pursuant to this Agreement and which the Company has continuously held as a long position.

Section 3.09 General Solicitation. Neither the Investor, nor any of its affiliates, nor any person acting on its or their behalf, has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Common Stock by the Investor.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the SEC Documents, or in the Disclosure Schedules, which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation or warranty otherwise made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules or in another Section of the Disclosure Schedules, to the extent that it is reasonably apparent on the face of such disclosure that such disclosure is applicable to such Section, the Company represents and warrants to the Investor that, as of the date hereof and each Advance Notice Date (other than representations and warranties which address matters only as of a certain date, which shall be true and correct as written as of such certain date), that:

Section 4.01 Organization and Qualification. Each of the Company and its Subsidiaries (as defined below) is an entity duly organized and validly existing under the laws of its state of organization or incorporation, and has the requisite power and authority to own its properties and to carry on its business as now being conducted. Each of the Company and its Subsidiaries is duly qualified to do business and is in good standing (to the extent applicable) in every jurisdiction in which the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect. The Company's Subsidiaries means any Person (as defined below) in which the Company, directly or indirectly, (x) owns a majority of the outstanding capital stock or equity or similar interests of such Person or (y) controls or operates all or any part of the business, operations or administration of such Person provided that such Subsidiary is set forth on Schedule 4.01.

Section 4.02 Authorization, Enforcement, Compliance with Other Instruments. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the other Transaction Documents and to issue the Shares in accordance with the terms hereof and thereof. The execution and delivery by the Company of this Agreement and the other Transaction Documents, and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Common Stock) have been or (with respect to consummation) will be duly authorized by the Company's board of directors and no further consent or authorization will be required by the Company, its board of directors or its shareholders (except as otherwise contemplated by this Agreement). This Agreement and the other Transaction Documents to which it is a party have been (or, when executed and delivered, will be) duly executed and delivered by the Company and, assuming the execution and delivery thereof and acceptance by the Investor, constitute (or, when duly executed and delivered, will be) the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or other laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. "Transaction Documents" means, collectively, this Agreement and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

Section 4.03 No Conflict. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Common Stock) will not (i) result in a violation of the articles of incorporation or other organizational documents of the Company or its Subsidiaries (with respect to consummation, as the same may be amended from time to time prior to the date on which any of the transactions contemplated hereby are consummated), (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations) applicable to the Company or its Subsidiaries or by which any property or asset of the Company or its Subsidiaries is bound or affected except, in the case of clause (ii) or (iii) above, to the extent such violations or conflicts would not reasonably be expected to have a Material Adverse Effect.

Section 4.04 SEC Documents; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the Exchange Act for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (all of the foregoing filed within the past two years preceding the date hereof or amended after the date hereof, or filed after the date hereof, and all exhibits included therein and financial statements and schedules thereto and documents incorporated by reference therein, and all registration statements filed by the Company under the Securities Act, being hereinafter referred to as the "SEC Documents"). The Company has made available to the Investor through the SEC's website at http://www.sec.gov, true and complete copies of the SEC Documents, and none of the SEC Documents, when viewed as a whole as of the date hereof, 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 the light of the circumstances under which they were made, not misleading. As of their respective dates (or, with respect to any filing that has been amended or superseded, the date of such amendment or superseding filing), the SEC Documents complied in all material respects with the requirements of the Exchange Act or the Securities Act, as applicable, and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents. As of their respective dates (or, with respect to any financial statements that have been amended or superseded, the date of such amended or superseding financial statements), the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the respective dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).

Section 4.05 Equity Capitalization. As of the date hereof, the authorized capital of the Company consists of (A) 100,000,000 shares of Common Stock, of which, 12,846 are issued and outstanding and 278,188 shares are reserved for issuance pursuant to Convertible Securities (as defined below) exercisable or exchangeable for, or convertible into, shares of Common Stock and (B) 20,000,000 shares of preferred stock, par value $0.001 per share, of which none are issued and outstanding. 1,650,000 shares of Common Stock are reserved for issuance under the Company's 2023 Equity Incentive Plan, of which 80,000 shares have been issued to date, all of which remain subject to vesting. "Convertible Securities" means any capital stock or other security of the Company or any of its Subsidiaries that is at any time and under any circumstances directly or indirectly convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any capital stock or other security of the Company (including, without limitation, shares of Common Stock) or any of its Subsidiaries.

Section 4.06 Intellectual Property Rights. The Company and its Subsidiaries own or possess adequate rights or licenses to use all trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and rights, if any, necessary to conduct their respective businesses as now conducted, except as would not cause a Material Adverse Effect. The Company and its Subsidiaries have not received written notice of any infringement by the Company or its Subsidiaries of trademark, trade name rights, patents, patent rights, copyrights, inventions, licenses, service names, service marks, service mark registrations, or trade secrets. To the knowledge of the Company, there is no claim, action or proceeding being made or brought against, or to the Company's knowledge, being threatened against the Company or its Subsidiaries regarding any material trademark, trade name, patents, patent rights, invention, copyright, license, service names, service marks, service mark registrations, trade secret or other infringement; and the Company is not aware of any facts or circumstances which might give rise to any of the foregoing.

Section 4.07 Employee Relations. Neither the Company nor any of its Subsidiaries is involved in any labor dispute nor, to the knowledge of the Company or any of its Subsidiaries, is any such dispute threatened, in each case which is reasonably likely to cause a Material Adverse Effect.

Section 4.08 Environmental Laws. The Company and its Subsidiaries (i) have not received written notice alleging any failure to comply in all material respects with all Environmental Laws (as defined below), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) have not received written notice alleging any failure to comply with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect. The term "Environmental Laws" means all applicable federal, state and local laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

Section 4.09 Title. Except as would not cause a Material Adverse Effect, the Company (or its Subsidiaries) have indefeasible fee simple or leasehold title to its properties and assets owned by it, free and clear of any pledge, lien, security interest, encumbrance, claim or equitable interest. Any real property and facilities held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its Subsidiaries.

Section 4.10 Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

Section 4.11 Regulatory Permits. Except as would not cause a Material Adverse Effect or as set forth on Schedule 4.11, the Company and its Subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to own their respective businesses, and neither the Company nor any such Subsidiary has received any written notice of proceedings relating to the revocation or modification of any such certificate, authorization or permits.

Section 4.12 Internal Accounting Controls. The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences, and management is not aware of any material weaknesses that are not disclosed in the SEC Documents as and when required.

Section 4.13 Absence of Litigation. Except with respect to the receipt of any deficiency notices relating to NYSE American compliance or delisting, which will be disclosed in the SEC Documents if received, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending against or affecting the Company, the Common Stock or any of the Company's Subsidiaries, wherein an unfavorable decision, ruling or finding would have a Material Adverse Effect.

Section 4.14 Subsidiaries. As of the date hereof, the Company does not own or control, directly or indirectly, any interest in any other corporation, partnership, association or other business entity, except for the Subsidiaries and Excluded Subsidiaries.

Section 4.15 Tax Status. Except as would not have a Material Adverse Effect, each of the Company and its Subsidiaries (i) has timely made or filed all foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has timely paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. The Company has not received written notification of any unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company and its Subsidiaries know of no basis for any such claim where failure to pay would cause a Material Adverse Effect.

Section 4.16 Certain Transactions. Except as (i) set forth in the SEC Documents or (ii) not required to be disclosed pursuant to Applicable Law (including, for the avoidance of doubt, not yet required to be disclosed at the relevant time), none of the officers or directors of the Company is presently a party to any transaction with the Company (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer or director, or to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer or director has a substantial interest or is an officer, director, trustee or partner.

Section 4.17 Rights of First Refusal. The Company is not obligated to offer the Common Stock offered hereunder on a right of first refusal basis or otherwise to any third parties including, but not limited to, current or former shareholders of the Company, underwriters, brokers, agents or other third parties.

Section 4.18 Dilution. The Company is aware and acknowledges that the issuance of shares of Common Stock hereunder could cause dilution to existing shareholders and could significantly increase the outstanding number of shares of Common Stock.

Section 4.19 Acknowledgment Regarding Investor's Purchase of Shares. The Company acknowledges and agrees that the Investor is acting solely in the capacity of an arm's length investor with respect to this Agreement and the transactions contemplated hereunder. The Company further acknowledges that the Investor is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement and the transactions contemplated hereunder and any advice given by the Investor or any of its representatives or agents in connection with this Agreement and the transactions contemplated hereunder is merely incidental to the Investor's purchase of the Shares hereunder. The Company is aware and acknowledges that it shall not be able to request Advances under this Agreement if the Registration Statement is not effective or if any issuances of shares of Common Stock pursuant to any Advances would violate any rules of the Principal Market or Trading Market.

Section 4.20 Sanctions Matters. Neither the Company, nor any Subsidiary of the Company, nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any Subsidiary of the Company, is a Person that is, or is owned or controlled by a Person that is on the list of Specially Designated Nationals and Blocked Persons maintained by OFAC from time to time:

a. the subject of any Sanctions; or

b. has a place of business in, or is operating, organized, resident or doing business in a country or territory that is, or whose government is, the subject of Sanctions Programs (including without limitation Crimea, Cuba, Iran, North Korea, Sudan and Syria).

Section 4.21 DTC Eligibility. The Company, through the transfer agent, currently participates in the DTC Fast Automated Securities Transfer (FAST) Program and the Common Stock can be transferred electronically to third parties via the DTC Fast Automated Securities Transfer (FAST) Program.

ARTICLE V
INDEMNIFICATION

Section 5.01 Indemnification by the Company. In consideration of the Investor's execution and delivery of this Agreement, and in addition to all of the Company's other obligations under this Agreement, the Company shall defend, protect, indemnify and hold harmless the Investor, its investment manager, and each of their respective officers, directors, managers, members, partners, employees and agents (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) and each person who controls the Investor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the "Investor Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and reasonable and documented expenses in connection therewith (irrespective of whether any such Investor Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by the Investor Indemnitees or any of them as a result of, or arising out of, or relating to (a) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement for the registration of the Shares as originally filed or in any amendment thereof, or in any related prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Investor specifically for inclusion therein; (b) any material misrepresentation or breach of any material representation or material warranty made by the Company in this Agreement or any other certificate, instrument or document contemplated hereby or thereby; or (c) any material breach of any material covenant, material agreement or material obligation of the Company contained in this Agreement or any other certificate, instrument or document contemplated hereby or thereby. To the extent that the foregoing undertaking by the Company may be unenforceable under Applicable Law, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities, which is permissible under Applicable Law.

Section 5.02 Notice of Claim. Promptly after receipt by an Investor Indemnitee of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving an Indemnified Liability, such Investor Indemnitee, shall, if a claim for an Indemnified Liability in respect thereof is to be made against any indemnifying party under this Article V, deliver to the indemnifying party a written notice of the commencement thereof; but the failure to so notify the indemnifying party will not relieve it of liability under this Article V except to the extent the indemnifying party is prejudiced by such failure. The indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually reasonably satisfactory to the indemnifying party and the Investor Indemnitee; provided, however, that an Investor Indemnitee shall have the right to retain its own counsel with the actual and reasonable third party fees and expenses of not more than one counsel for such Investor Indemnitee to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the indemnifying party, the representation by such counsel of the Investor Indemnitee and the indemnifying party would be inappropriate due to actual or potential differing interests between such Investor Indemnitee and any other party represented by such counsel in such proceeding. The Investor Indemnitee shall cooperate fully with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Investor Indemnitee which relates to such action or claim. The indemnifying party shall keep the Investor Indemnitee reasonably apprised as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Investor Indemnitee, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Investor Indemnitee of a release from all liability in respect to such claim or litigation. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Investor Indemnitee with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The indemnification required by this Article V shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received and payment therefor is due, subject to receipt by the indemnifying party of an undertaking to repay any amounts that such party is ultimately not entitled to receive as indemnification pursuant to this Agreement.

Section 5.03 Remedies. The remedies provided for in this Article V are not exclusive and shall not limit any right or remedy which may be available to any indemnified person at law or equity. The obligations of the parties to indemnify or make contribution under this Article V shall survive expiration or termination of this Agreement.

ARTICLE VI
COVENANTS

Section 6.01 Registration Statement.

a. Filing of a Registration Statement. No later than March 1, 2025 (the "Filing Date"), the Company shall have prepared and filed with the SEC a Resale Registration Statement for the resale by the Investor of the Commitment Fee Shares. In the event the Company so chooses to effect a resale registration statement of the remaining Registrable Securities related to the ELOC, then the Company may file one or more additional Registration Statements for the resale by Investor of Registrable Securities at anytime thereafter, if necessary. The Company acknowledges and agrees that it shall not have the ability to request any Advances until the effectiveness of a Registration Statement registering the applicable Registrable Securities for resale by the Investor. The Company and the Investor shall mutually agree on a good faith estimate of the number of Commitment Fee Shares which may be issuable pursuant to Section 13.04 for purposes of registration; provided, however, that in the event such estimated number of shares have been (i) underestimated, the Company shall use reasonable best efforts to register additional Commitment Fee Shares promptly after such underestimation is made known to the Company and (ii) overestimated, the Company shall treat (and disclose in the registration statement the same) such excess shares as Common Stock issuable and saleable to the Investor pursuant to Advances hereunder.

b. Maintaining a Registration Statement. After the Filing Date, the Company shall use commercially reasonable efforts to maintain the effectiveness of the Resale Registration Statement, as well as any Registration Statement, that has been declared effective at all times during the Commitment Period, provided, however, that if the Company has received notification pursuant to Section 2.08 that the Investor has completed resales pursuant to the Resale Registration Statement or any Registration Statement for the full Commitment Amount, then the Company shall be under no further obligation to maintain the effectiveness of such registration statement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall use commercially reasonable efforts to ensure that, when filed, 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. During the Commitment Period, the Company shall notify the Investor promptly if (i) the Registration Statement shall cease to be effective under the Securities Act, (ii) the Common Stock shall cease to be authorized for listing on the Principal Market or Trading Market, (iii) the Common Stock ceases to be registered under Section 12(b) or Section 12(g) of the Exchange Act or (iv) the Company fails to file in a timely manner all reports and other documents required of it as a reporting company under the Exchange Act.

c. Filing Procedures. Not less than one business day prior to the filing of a Registration Statement and not less than one business day prior to the filing of any related amendments and supplements to any Registration Statements (except for any amendments or supplements caused by the filing of any annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any similar or successor reports), the Company shall furnish to the Investor copies of all such documents proposed to be filed, which documents (other than those filed pursuant to Rule 424 promulgated under the Securities Act) will be subject to the reasonable and prompt review of the Investor (in each of which cases, if such document contains material non-public information as consented to by the Investor pursuant to Section 6.13, the information provided to Investor will be kept strictly confidential until filed and treated as subject to Section 6.08). The Investor shall furnish comments on a Registration Statement and any related amendment and supplement to a Registration Statement to the Company within 24 hours of the receipt thereof. If the Investor fails to provide comments to the Company within such 24-hour period, then the Registration Statement, related amendment or related supplement, as applicable, shall be deemed accepted by the Investor in the form originally delivered by the Company to the Investor.

d. Delivery of Final Documents. The Company shall furnish to the Investor without charge, (i) at least one copy of each Registration Statement as declared effective by the SEC and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference, all exhibits and each preliminary prospectus, (ii) at the request of the Investor, at least one copy of the final prospectus included in such Registration Statement and all amendments and supplements thereto (or such other number of copies as the Investor may reasonably request) and (iii) such other documents as the Investor may reasonably request from time to time in order to facilitate the disposition of the Common Stock owned by the Investor pursuant to a Registration Statement. Filing of the foregoing with the SEC via its EDGAR system shall satisfy the requirements of this section.

e. Amendments and Other Filings. The Company shall use commercially reasonable efforts to (i) prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the related prospectus used in connection with such Registration Statement, which prospectus is to be filed pursuant to Rule 424 promulgated under the Securities Act, as may be necessary to keep such Registration Statement effective at all times during the Commitment Period, and prepare and file with the SEC such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related prospectus to be amended or supplemented by any required prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424 promulgated under the Securities Act; (iii) provide the Investor copies of all correspondence from and to the SEC relating to a Registration Statement (provided that the Company may excise any information contained therein which would constitute material non-public information), and (iv) comply with the provisions of the Securities Act with respect to the disposition of all the shares of Common Stock covered by such Registration Statement until such time as all of such shares of Common Stock shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 6.01(e)) by reason of the Company's filing a report on Form 10-K, Form 10-Q, or Form 8-K or any analogous report under the Exchange Act, the Company shall use commercially reasonable efforts to file such report in a prospectus supplement filed pursuant to Rule 424 promulgated under the Securities Act to incorporate such filing into the Registration Statement, if applicable, or shall file such amendments or supplements with the SEC either on the day on which the Exchange Act report is filed which created the requirement for the Company to amend or supplement the Registration Statement, if feasible, or otherwise promptly thereafter.

f. Blue-Sky. The Company shall use its commercially reasonable efforts to, if required by Applicable Law, (i) register and qualify the Common Stock covered by a Registration Statement under such other securities or "blue sky" laws of such jurisdictions in the United States as the Investor reasonably requests, (ii) prepare and file in those jurisdictions, such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Commitment Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Commitment Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Common Stock for sale in such jurisdictions; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (w) make any change to its articles of incorporation or bylaws, (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 6.01(f), (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 the Investor of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Common Stock 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 threat of any proceeding for such purpose.

Section 6.02 Suspension of Registration Statement.

a. Establishment of a Black Out Period. During the Commitment Period, the Company may from time to time suspend the use of the Registration Statement by written notice to the Investor in the event that the Company determines in its sole discretion in good faith that such suspension is necessary to (A) delay the disclosure of material nonpublic information concerning the Company, the disclosure of which at the time is not, in the good faith opinion of the Company, in the best interests of the Company or (B) amend or supplement the Registration Statement or prospectus so that such Registration Statement or prospectus shall not include an 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 light of the circumstances under which they were made, not misleading (a "Black Out Period"). With respect to any updated registration statement or post-effective amendment to the registration statement, such blackout period shall continue until such time as the registration statement or post-effective amendment thereto has been filed and declared effective by the SEC.

b. No Sales by Investor During the Black Out Period. During such Black Out Period, the Investor agrees not to sell any shares of Common Stock of the Company.

c. Limitations on the Black Out Period. The Company shall not impose any Black Out Period that is longer than 60 days or in a manner that is more restrictive (including, without limitation, as to duration) than the comparable restrictions that the Company may impose on transfers of the Company's equity securities by its directors and senior executive officers. In addition, the Company shall not deliver any Advance Notice during any Black Out Period. If the public announcement of such material, nonpublic information is made during a Black Out Period, the Black Out Period shall terminate immediately after such announcement, and the Company shall immediately notify the Investor of the termination of the Black Out Period.

Section 6.03 Listing of the Common Stock. As of each Advance Date, the Shares to be sold by the Company from time to time hereunder will have been registered under Section 12(b) of the Exchange Act and approved for listing on the Principal Market or Trading Market, subject to official notice of issuance.

Section 6.04 Opinion of Counsel. Prior to the date of the delivery by the Company of the first Advance Notice, the Investor shall have received an opinion and negative assurances letter from counsel to the Company in form and substance reasonably satisfactory to the Investor.

Section 6.05 Exchange Act Registration. The Company will use commercially reasonable efforts to file in a timely manner all reports and other documents required of it as a reporting company under the Exchange Act and will not take any action or file any document (whether or not permitted by Exchange Act or the rules thereunder) to terminate or suspend its reporting and filing obligations under the Exchange Act.

Section 6.06 Transfer Agent Instructions. So long as there is a Registration Statement in effect for this transaction, the Company shall (if required by the transfer agent for the Common Stock) cause legal counsel for the Company to deliver to the transfer agent for the Common Stock (with a copy to the Investor) instructions to issue shares of Common Stock to the Investor free of restrictive legends upon each Advance if the delivery of such instructions are consistent with Applicable Law and the Investor has provided the Transfer Agent Deliverables with respect to such shares of Common Stock required by this Agreement.

Section 6.07 Corporate Existence. The Company will use commercially reasonable efforts to preserve and continue the corporate existence of the Company during the Commitment Period.

Section 6.08 Notice of Certain Events Affecting Registration; Suspension of Right to Make an Advance. The Company will promptly notify the Investor, and confirm in writing, upon its becoming aware of the occurrence of any of the following events in respect of a Registration Statement or related prospectus relating to an offering of Common Stock (in each of which cases the information provided to Investor will be kept strictly confidential): (i) except for requests made in connection with SEC or other Federal or state governmental authority investigations disclosed in the SEC Documents, receipt of any request for additional information by the SEC or any other Federal or state governmental authority during the period of effectiveness of the Registration Statement or any request for amendments or supplements to the Registration Statement or related prospectus; (ii) the issuance by the SEC or any other Federal governmental authority of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose; (iii) receipt of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Common Stock for sale in any jurisdiction or the initiation or written threat of any proceeding for such purpose; (iv) the happening of any event that makes any statement made in the Registration Statement or related prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in the Registration Statement, related prospectus or documents so that, in the case of the Registration Statement, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and that in the case of the related prospectus, it will not contain any untrue statement of a material fact or omit to state any 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, or of the necessity to amend the Registration Statement or supplement a related prospectus to comply with the Securities Act or any other law; and (v) the Company's reasonable determination that a post-effective amendment to the Registration Statement would be appropriate; in which case the Company will prepare and will promptly make available to the Investor any such supplement or amendment to the related prospectus. The Company shall not deliver to the Investor any Advance Notice, and the Company shall not sell any Shares pursuant to any Advance Notice (other than as required pursuant to Section 2.05(b)), during the continuation of any of the foregoing events in clauses (i) through (v) above, or in the event that (vi) there shall be no bid for the Common Stock on the Principal Market or Trading Market for a period of 15 consecutive minutes at any time during the applicable Pricing Period or (vii) there shall be a "trading halt" or circuit breaker" event with respect to the Common Stock on the Principal Market or Trading Market during the applicable Pricing Period (each of the events described in the immediately preceding clauses (i) through (vii), inclusive, a "Material Outside Event").

Section 6.09 Consolidation. If an Advance Notice has been delivered to the Investor, then the Company shall not effect any consolidation of the Company with or into, or a transfer of all or substantially all the assets of the Company to another entity before the transaction contemplated in such Advance Notice has been closed in accordance with Section 2.03 hereof, and all Shares issuable in connection with such Advance have been received by the Investor.

Section 6.10 Issuance of Common Stock. The issuance and sale of Common Stock hereunder shall be made in accordance with the provisions and requirements of Section 4(a)(2) of the Securities Act or Regulation D under the Securities Act and any applicable state securities law.

Section 6.11 Market Activities. The Company will not, directly or indirectly, take any action designed to cause or result in, or that constitutes or might reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company under Regulation M of the Exchange Act.

Section 6.12 Expenses. The Company, whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, will pay all expenses incident to the performance of its obligations hereunder, including but not limited to (i) the preparation, printing and filing of the Registration Statement and each amendment and supplement thereto, of each prospectus and of each amendment and supplement thereto; (ii) the preparation, issuance and delivery of any Shares issued pursuant to this Agreement, (iii) all reasonable fees and disbursements of the Company's counsel, accountants and other advisors, (iv) the qualification of the Shares under securities laws in accordance with the provisions of this Agreement, including filing fees in connection therewith, (v) the printing and delivery of copies of any prospectus and any amendments or supplements thereto, (vi) the fees and expenses incurred in connection with the listing or qualification of the Shares for trading on the Principal Market or Trading Market, or (vii) filing fees of the SEC and the Principal Market or Trading Market.

Section 6.13 Current Report. The Company shall not, and the Company shall cause each of its Subsidiaries and each of its and their respective officers, directors, employees and agents not to, provide the Investor with any material, non-public information regarding the Company or any of its Subsidiaries without the express prior written consent of the Investor (which may be granted or withheld in the Investor's sole discretion and must include an agreement to keep such information confidential until publicly disclosed or 45 days have passed); it being understood that the mere notification of Investor required pursuant to Section 6.08(iv) hereof shall not in and of itself be deemed to be material non-public information. Notwithstanding anything contained in this Agreement to the contrary, the Company expressly agrees that it shall use its commercially reasonable efforts to publicly disclose, no later than 45 days following the date hereof, but in any event prior to delivering the first Advance Notice hereunder, any information communicated to the Investor by or, to the knowledge of the Company, on behalf of the Company in connection with the transactions contemplated herein, which, following the date hereof would, if not so disclosed, constitute material, non-public information regarding the Company or its Subsidiaries.

Section 6.14 Advance Notice Limitation. The Company shall not deliver an Advance Notice if a shareholder meeting or corporate action date, or the record date for any shareholder meeting or any corporate action, would fall during the period beginning two Trading Days prior to the date of delivery of such Advance Notice and ending two Trading Days following the Closing of such Advance.

Section 6.15 Use of Proceeds. The Company will use the proceeds from the sale of the Common Stock hereunder for working capital and other general corporate purposes or, if different, in a manner consistent with the application thereof described in the Registration Statement. Neither the Company nor any Subsidiary will, directly or indirectly, use the proceeds of the transactions contemplated herein, or lend, contribute, facilitate or otherwise make available such proceeds to any Person (i) to fund, either directly or indirectly, any activities or business of or with any Person that is identified on the list of Specially Designated Nationals and Blocker Persons maintained by OFAC, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or Sanctions Programs, or (ii) in any other manner that will result in a violation of Sanctions.

Section 6.16 Compliance with Laws. The Company shall comply in all material respects with all Applicable Laws.

Section 6.17 Aggregation. From and after the date of this Agreement, neither the Company, nor or any of its affiliates will, and the Company shall use its commercially reasonable efforts to ensure that no Person acting on their behalf will, directly or indirectly, make any offers or sales of any security or solicit any offers to buy any security, under circumstances that would cause this offering of the Securities by the Company to the Investor to be aggregated with other offerings by the Company in a manner that would require shareholder approval pursuant to the rules of the Principal Market or Trading Market on which any of the securities of the Company are listed or designated, unless shareholder approval is obtained before the closing of such subsequent transaction in accordance with the rules of such Principal Market or Trading Market.

Section 6.18 Other Transactions. 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, including, without limitation, the obligation of the Company to deliver the Shares to the Investor in accordance with the terms of the Transaction Documents.

Section 6.19 Integration. From and after the date of this Agreement, neither the Company, nor or any of its affiliates will, and the Company shall use its commercially reasonable efforts to ensure that no Person acting on their behalf will, directly or indirectly, make any offers or sales of any security or solicit any offers to buy any security, under circumstances that would require registration of the offer and sale of any of the Securities under the Securities Act.

Section 6.20 Limitation on Variable Rate Transactions. Until the earlier of the date that is (i) 12 months after the effectiveness of initial registration statement or (ii) two (2) months after any Termination hereunder (the "Limitation Date"), the Company shall be prohibited from effecting or entering into an agreement to effect any issuance by the Company of Common Stock or Common Stock Equivalents (or a combination of units thereof) involving a Variable Rate Transaction, other than in connection with an Exempt Issuance or with the prior written consent of the Investor. The Investor shall be entitled to seek injunctive relief against the Company to preclude any such issuance, which remedy shall be in addition to any right to collect damages, without the necessity of showing economic loss and without any bond or other security being required.

"Common Stock Equivalents" means any securities of the Company which entitle the holder thereof to acquire at any time Common Stock, including, without limitation, Common Stock, restricted stock units, any debt, preferred shares, 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 Stock.

"Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any future equity or debt securities that are convertible into, exchangeable or exercisable for, or include the right to receive additional Common Stock or Common Stock 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 Stock at any time after the initial issuance of such equity or debt securities (including, without limitation, pursuant to any "cashless exercise" provision), 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 Stock (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, share split, reverse share split or other similar transaction), (ii) issues or sells any equity or debt securities, including without limitation, Common Stock or Common Stock 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 Stock (other than standard anti-dilution protection for any reorganization, recapitalization, non-cash dividend, share split, reverse share split or other similar transaction), or (B) that is subject to or contains any put, call, redemption, buy-back, price-reset or other similar provision or mechanism (including, without limitation, a "Black-Scholes" put or call right) 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 at-the-market offering or "equity line" (that is not an Exempt Issuance) or other continuous offering or similar offering of Common Stock or Common Stock Equivalents, whereby the Company may sell Common Stock or Common Stock Equivalents at a future determined price.

"Exempt Issuance" means the issuance of (a) Common Stock, options, restricted stock units or other equity incentive awards to employees, officers, consultants, directors or vendors of the Company pursuant to any equity incentive plan duly adopted for such purpose, by the Board of Directors of the Company or a majority of the members of a committee of directors established for such purpose, (b) any Shares issued to the Investor pursuant to this Agreement, (c) Common Stock, Common Stock Equivalents or other securities issued to the Investor pursuant to any other existing or future contract, agreement or arrangement between the Company and the Investor, (d) Common Stock, Common Stock Equivalents or other securities upon the exercise, exchange or conversion of any Common Stock, Common Stock Equivalents or other securities held by the Investor at any time, (e) any securities issued upon the exercise or exchange of or conversion of any Common Stock Equivalents issued and outstanding on the date hereof, provided that such securities or Common Stock Equivalents referred to in this clause (e) have not been amended since the date hereof to increase the number of such securities or Common Stock underlying such securities or to decrease the exercise price, exchange price or conversion price of such securities, (f) Common Stock Equivalents that are convertible into, exchangeable or exercisable for, or include the right to receive Common Stock at a conversion price, exercise price, exchange rate or other price (which may be below the then current market price of the Common Stock) that is fixed at the time of initial issuance of such Common Stock Equivalents (subject only to standard anti-dilution protection for any reorganization, recapitalization, non-cash dividend, share split, reverse share split or other similar transaction), which fixed conversion price, exercise price, exchange rate or other price shall not at any time after the initial issuance of such Common Stock Equivalent be based upon or varying with the trading prices of or quotations for the Common Stock or subject to being reset at some future date and (g) securities issued pursuant to acquisitions, divestitures, licenses, partnerships, collaborations or strategic transactions approved by the Board of Directors of the Company or a majority of the members of a committee of directors established for such purpose, which acquisitions, divestitures, licenses, partnerships, collaborations or strategic transactions can have a Variable Rate Transaction component, provided that any such issuance shall only be to a Person (or to the equity holders of a Person) which is, itself or through its subsidiaries, an operating company or an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits, as determined in the sole judgment of the Company, in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities. Should the Company at any time that the Company enters into a Variable Rate Transaction in breach of this section, the Company shall promptly pay to Investor $100,000 in cash, as liquidated damages for such breach.

Section 6.21 DTC. The Company shall take all action reasonably required to ensure that its Common Stock can be transferred electronically as DWAC Shares if the Transfer Agent Deliverables with respect to such Common Stock have been provided by the Investor.

Section 6.22 Non-Public Information. Each party hereto agrees not to disclose any Confidential Information of the other party to any third party and shall not use the Confidential Information for any purpose other than in connection with, or in furtherance of, the transactions contemplated hereby in full compliance with applicable securities laws; provided, however that a party may disclose Confidential Information that is required by law to be disclosed by the receiving party, provided that the receiving party gives the disclosing party prompt written notice of such requirement prior to such disclosure and assistance in obtaining an order protecting the information from public disclosure. Each party hereto acknowledges that the Confidential Information shall remain the property of the disclosing party and agrees that it shall take all reasonable measures to protect the secrecy of any Confidential Information disclosed by the other party. The Company confirms that neither it nor any other Person acting on its behalf shall provide the Investor or its agents or counsel with any information that constitutes material, non-public information, unless a simultaneous public announcement thereof is made by the Company in the manner contemplated by Regulation FD under the Exchange Act. In the event of a breach of the foregoing covenant by the Company or any Person acting on its behalf (as determined in the reasonable good faith judgment of the Investor), in addition to any other remedy provided herein or in the other Transaction Documents, the Investor shall have the right to make a public disclosure, in the form of a press release, public advertisement or otherwise, of such material, non-public information without the prior approval by the Company; provided the Investor shall have first provided notice to the Company that it believes it has received information that constitutes material, non-public information, the Company shall have at least twenty-four (24) hours to publicly disclose such material, non-public information prior to any such disclosure by the Investor, and the Company shall have failed to publicly disclose such material, non-public information within such time period. The Investor 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. The Company understands and confirms that the Investor shall be relying on the foregoing covenants in effecting transactions in securities of the Company.

Section 6.23 Prohibition of Short Sales and Hedging Transactions. The Investor agrees that beginning on the date of this Agreement and ending on the date of termination of this Agreement as provided in Section 11, the Investor and its agents, representatives and affiliates shall not in any manner whatsoever enter into or effect, directly or indirectly, any (i) “short sale” (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of the Common Stock (excluding transactions properly marked “short exempt”) or (ii) hedging transaction, which establishes a net short position with respect to the Common Stock.

Section 6.24 Use of Name. The Company shall not, directly or indirectly, use the names “Helena Partners”, “Helena Global Investments”, or “Helena”, or any derivations thereof, or logos associated with these names, as the case may be, in any manner or take any action that may imply any relationship with the Investor or any of its Affiliates without the prior written consent of the Investor, provided, however, the Investor hereby consents to all lawful uses of these names in the prospectus, statement and other materials that are required by applicable laws or pursuant to the disclosure requirements of the SEC or any state securities authority.

ARTICLE VII
CONDITIONS FOR DELIVERY OF ADVANCE NOTICE

Section 7.01 Conditions Precedent to the Right of the Company to Deliver an Advance Notice. The right of the Company to deliver an Advance Notice and the obligations of the Investor hereunder with respect to an Advance is subject to:

a. the satisfaction by the Company, on each Advance Notice Date (a “Condition Satisfaction Date”), of each of the following conditions:

b. Accuracy of the Company's Representations and Warranties. The representations and warranties of the Company in this Agreement shall be true and correct in all material respects.

c. Registration of the Common Stock with the SEC. There is an effective Registration Statement pursuant to which the Investor is permitted to utilize the prospectus thereunder to resell all of the Registrable Securities. The Company shall have filed with the SEC all reports, notices and other documents required under the Exchange Act and applicable SEC regulations during the twelve-month period immediately preceding the applicable Condition Satisfaction Date.

d. Authority. The Company shall have obtained all permits and qualifications required by any applicable state for the offer and sale of all the Common Stock issuable pursuant to such Advance Notice, or shall have the availability of exemptions therefrom. The sale and issuance of such Common Stock shall be legally permitted by all laws and regulations to which the Company is subject.

e. No Material Outside Event or Material Adverse Effect. No Material Outside Event or Material Adverse Effect shall have occurred and be continuing.

f. Performance by the Company. Unless waived in advance by the Investor, 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 the applicable Condition Satisfaction Date including, without limitation, the delivery of all Common Stock issuable pursuant to all previously delivered Advance Notices and the issuance of all Commitment Fee Shares previously required to be issued to Investor (for the avoidance of doubt, if the Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement at the time of the applicable Condition Satisfaction Date, but did not comply with any timing requirement set forth herein, then this condition shall be deemed satisfied unless the Investor is materially prejudiced by the failure of the Company to comply with any such timing requirement). When so requested, and following such Rule 144 Holding Period and delivery of any required documents from the Investor, the Company will ensure that its legal counsel provides the Investor with a Rule 144 legal opinion regarding the Commitment Fee Shares.

g. No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits or directly, materially and adversely affects any of the transactions contemplated by this Agreement.

h. No Suspension of Trading in or Delisting of the Common Stock. The Common Stock is quoted for trading on the Principal Market or Trading Market and all of the Shares issuable pursuant to such Advance Notice will be listed or quoted for trading on the Principal Market or Trading Market. The Company shall not have received any written notice that is then still pending threatening the continued quotation of the Common Stock on the Principal Market or Trading Market

i. Authorized. There shall be a sufficient number of authorized but unissued and otherwise unreserved shares of Common Stock for the issuance of all of the Shares issuable pursuant to such Advance Notice.

j. Executed Advance Notice. The representations contained in the applicable Advance Notice shall be true and correct in all material respects as of the applicable Condition Satisfaction Date.

k. Consecutive Advance Notices. Except with respect to the first Advance Notice, the Pricing Period for all prior Advances has been completed.

Furthermore, the Company shall not have the right to deliver an Advance Notice to the Investor if any of the following shall occur:

l. the Company breaches any representation or warranty in any material respect, or breaches any covenant or other term or condition under any Transaction Document in any material respect, and except in the case of a breach of a covenant which is reasonably curable, only if such breach continues for a period of at least three (3) consecutive Business Days;

m. if any Person commences a proceeding against the Company pursuant to or within the meaning of any Bankruptcy Law for so long as such proceeding is not dismissed;

n. if the Company is at any time insolvent, or, pursuant to or within the meaning of any Bankruptcy Law, (i) commences a voluntary case, (ii) consents to the entry of an order for relief against it in an involuntary case, (iii) consents to the appointment of a Custodian of it or for all or substantially all of its property, or (iv) makes a general assignment for the benefit of its creditors or (v) the Company is generally unable to pay its debts as the same become due;

o. a court of competent jurisdiction enters 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 Subsidiary for so long as such order, decree or similar action remains in effect;

p. if at any time the Company is not eligible or is unable to transfer its Shares to Investor, including, without limitation, electronically through DTC's Deposit/Withdrawal At Custodian system; or

q. the Shares shall not have been approved by the Investor's prime broker or designated clearing firm for deposit to its account with the Depository Trust Company system.

ARTICLE VIII
NON-DISCLOSURE OF NON-PUBLIC INFORMATION

The Company covenants and agrees that, other than as expressly required by Section 6.08 hereof or, with the Investor's consent pursuant to Section 6.01(c) and 6.13, it shall refrain from disclosing, and shall cause its officers, directors, employees and agents to refrain from disclosing, any material non-public information (as determined under the Securities Act, the Exchange Act, or the rules and regulations of the SEC) directly or indirectly to the Investor or its affiliates, without also disseminating such information to the public, unless prior to disclosure of such information the Company identifies such information as being material non-public information and provides the Investor with the opportunity to accept or refuse to accept such material non-public information for review. Unless specifically agreed to in writing, in no event shall the Investor have a duty of confidentiality, or be deemed to have agreed to maintain information in confidence, with respect to the delivery of any Advance Notices.

ARTICLE IX
NON EXCLUSIVE AGREEMENT

This Agreement and the rights awarded to the Investor hereunder are non-exclusive, and the Company may, at any time throughout the term of this Agreement and thereafter, if permitted by the terms of the Agreement, issue and allot, or undertake to issue and allot, any shares and/or securities and/or convertible notes, bonds, debentures, options to acquire shares or other securities and/or other facilities which may be converted into or replaced by Common Stock or other securities of the Company, and to extend, renew and/or recycle any bonds and/or debentures, and/or grant any rights with respect to its existing and/or future share capital.

ARTICLE X
CHOICE OF LAW/JURISDICTION

This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York without regard to the principles of conflict of laws. The parties further agree that any action between them shall be heard in New York County, New York, and expressly consent to the jurisdiction and venue of the Supreme Court of New York, sitting in New York County, New York and the United States District Court of the Southern District of New York, sitting in New York, New York, for the adjudication of any civil action asserted pursuant to this Agreement.

ARTICLE XI
ASSIGNMENT; TERMINATION

Section 11.01 Assignment. Neither this Agreement nor any rights or obligations of the parties hereto may be assigned to any other Person.

Section 11.02 Termination.

a. Unless earlier terminated as provided hereunder, this Agreement shall terminate automatically on the earliest of (i) the first day of the month next following the 36-month anniversary of the date hereof or (ii) the date on which the Investor shall have made payment of Advances pursuant to this Agreement for Common Stock equal to the Commitment Amount.

b. The Company may unilaterally terminate this Agreement at any time effective upon five Trading Days' prior written notice to the Investor; provided that (i) there are no outstanding Advance Notices, the Common Stock in respect of which has yet to be issued, and (ii) the Company has paid all amounts owed to the Investor pursuant to this Agreement including, without limitation, all Commitment Fee Shares. In addition, 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.

c. Nothing in this Section 11.02 shall be deemed to release the Company or the Investor from any liability for any breach under this Agreement, or to impair the rights of the Company and the Investor to compel specific performance by the other party of its obligations under this Agreement. The indemnification provisions contained in Article V shall survive termination hereunder.

ARTICLE XII
NOTICES

Other than with respect to Advance Notices, which must be in writing and will be deemed delivered on the day set forth in Section 2.03 in accordance with Exhibit C, any notices, consents, waivers, or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile or e-mail if sent on a Trading Day, or, if not sent on a Trading Day, on the immediately following Trading Day; (iii) five days after being sent by U.S. certified mail, return receipt requested, (iv) one day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications (except for Advance Notices which shall be delivered in accordance with Exhibit A hereof) shall be:

If to the Company, to:

Kairos Pharma, Ltd.
2355 Westwood Blvd, #139
Los Angeles, CA 90064
Attn: John S. Yu, M.D., CEO
E-mail: john.yu@kairospharma.com

With a Copy (which shall not constitute notice or delivery of process) to:

Dorsey & Whitney LLP
51 W. 52nd Street
New York, NY 10022
Attn: Megan J. Penick, Esq.
Telephone: (212) 415-9279
E-mail: penick.megan@dorsey.com

If to the Investor(s):

Helena Global Investment Opportunities 1 Ltd.
71 Fort Street
Third Floor
Grand Cayman, Cayman Islands
CY-11-11
Attention: Jeremy Weech
Telephone: 242-819-5440
Email: jeremy@helenapartners.com

With a Copy (which shall not constitute notice or delivery of process) to:

Lucosky Brookman LLP
101 Wood Avenue South
Fifth Floor
Woodbridge, New Jersey 08830
Attention: Rodrigo Sanchez, Esq.
Telephone: (732) 395-4417
Email: rsanchez@lucbro.com

Either may change its information contained in this Article XII by delivering notice to the other party as set forth herein.

ARTICLE XIII
MISCELLANEOUS

Section 13.01 Counterparts. This Agreement may be executed in identical counterparts, both 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. Facsimile or other electronically scanned and delivered signatures, including by e-mail attachment, shall be deemed originals for all purposes of this Agreement.

Section 13.02 Entire Agreement; Amendments. This Agreement supersedes all other prior oral or written agreements between the Investor, the Company, their respective affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement contains the entire understanding of the parties with respect to the matters covered herein and, except as specifically set forth herein, neither the Company nor the Investor makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived or amended other than by an instrument in writing signed by the parties to this Agreement. The provisions of the existing confidentiality agreement between the Investor and the Company shall remain in force, except that all provisions therein dealing with the treatment of material non-public information are superseded by this Agreement.

Section 13.03 Reporting Entity for the Common Stock. The reporting entity relied upon for the determination of the trading price or trading volume of the Common Stock on any given Trading Day for the purposes of this Agreement shall be Bloomberg, L.P. or any successor thereto. The written mutual consent of the Investor and the Company shall be required to employ any other reporting entity.

Section 13.04 Due Diligence Fee; Commitment Fee Shares.

a. Each of the parties shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transactions contemplated hereby, except that the Company shall be responsible for all of Investor's customary due diligence and legal fees, which shall not exceed $50,000, (and will provide proof of any retainer payments and engagement letters).

b. In consideration for the Investor's execution and delivery of this Agreement, the Company shall issue or cause to be issued to the Investor, as a commitment fee, shares of Common Stock equal to $900,000 (the "Commitment Fee Shares"). The number of Commitment Fee Shares issuable shall (i) be equal to $900,000.00 divided by the lowest one-day VWAP during the five (5) Trading Days immediately preceding the entry into this Agreement (the "Commitment Fee Share Reference Price") and (ii) bear a standard restrictive legend (the "Original Commitment Fee Share Amount"). If the closing price of the Common Stock provided on the Principal Market on the Trading Day the Registration Statement is declared effective is less than the Commitment Share Reference Price, the Company shall issue to the Investor additional shares of Common Stock as Commitment Fee Shares (the "Make-Whole Shares") promptly following such date as the Registration Statement is declared effective. The amount of Make-Whole Shares to be issued shall be equal to the quotient obtained by dividing (a) $900,000, by (b) the closing price of the Common Stock provided on the Principal Market on the Trading Day the Registration Statement is declared effective, minus the Original Commitment Fee Share Amount. If the closing price of the Common Stock provided on the Principal Market on the Trading Day the Resale Registration Statement is declared effective is more than the Commitment Share Reference Price, any share overallotment (the "Excess Shares") held by the Investor shall be returned to the treasury of the Company promptly following such date as the Resale Registration Statement is declared effective. The amount of Excess Shares to be returned to the Company shall be equal to the quotient obtained by dividing (a) $900,000, by (b) the closing price of the Common Stock provided on the Principal Market on the Trading Day the Registration Statement is declared effective, and subtracting such number from the Original Commitment Fee Share Amount. For the avoidance of doubt, all shares of stock, including the Make-Whole Shares issuable pursuant to this Section 13.04(b) shall be deemed Commitment Fee Shares and shall be Registerable Securities for all purposes under this Agreement.

Section 13.05 Brokerage. Aside from the Placement Agent, each of the parties hereto represents that it has had no dealings in connection with this transaction with any finder or broker who will demand payment of any fee or commission from the other party. The Company on the one hand, and the Investor, on the other hand, agree to indemnify the other against and hold the other harmless from any and all liabilities to any person claiming brokerage commissions or finder's fees on account of services purported to have been rendered on behalf of the indemnifying party in connection with this Agreement or the transactions contemplated hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Purchase Agreement to be executed by the undersigned, thereunto duly authorized, as of the date first set forth above.

COMPANY:

KAIROS PHARMA, LTD.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: Chief Executive Officer

INVESTOR:

HELENA GLOBAL INVESTMENT OPPORTUNITES I LTD.

By: /s/ Jeremy Weech
Name: Jeremy Weech
Title: Managing Partner

EXHIBIT A
ADVANCE NOTICE

KAIROS PHARMA, LTD.

Dated: ______________ Advance Notice Number: ____

The undersigned, _______________________, hereby certifies, with respect to the sale of the Common Stock of KAIROS PHARMA, LTD. (the "Company") issuable in connection with this Advance Notice, delivered pursuant to that certain Purchase Agreement, dated as of November 11, 2024 (the "Agreement"), as follows:

1 The undersigned is the duly elected ______________ of the Company.

2 There are no fundamental changes to the information set forth in the Registration Statement which would require the Company to file a post-effective amendment to the Registration Statement.

3 All conditions to the delivery of this Advance Notice are satisfied as of the date hereof.

4 The amount of shares of Common Stock issued in respect of such Advance is:

5 The number of shares of Common Stock of the Company issued and outstanding as of the date hereof is ___________.

6 The Pricing Period shall be three (3) Trading Days.

The undersigned has executed this Advance Notice as of the date first set forth above.

KAIROS PHARMA, LTD.

By: ____
Name:
Title:

EXHIBIT B
FORM OF SETTLEMENT DOCUMENT

VIA EMAIL

KAIROS PHARMA, LTD.

Attn:

Email:

Subject:

Below please find the settlement information with respect to the Advance Notice Date of:

1. Amount of Advance requested in the Advance Notice

2. Adjusted Advance (after taking into account any adjustments pursuant to Section 2.04):

3. Lowest Intraday Sale Price during Pricing Period:

3. Purchase Price:

8. Number of Shares issued to Investor:

Sincerely,

Helena Global Investment Opportunities 1 Ltd.

By: ______________________________
Name:
Title:

Agreed and Approved:

KAIROS PHARMA, LTD.

By: ______________________________
Name:
Title:

SCHEDULE 1
Authorized Representatives

The following individuals may execute Advance Notices:

1. John S. Yu

EXHIBIT C

VIA EMAIL

Email: jeremy@helenapartners.com

Subject: ELOC: Kairos Pharma, Ltd.
Advance Notice

Below please find the Advance Notice Date of:

1. Amount of Advance Shares:
2. Time of Advance:

Exhibit 10.6

SECOND CONVERSION AGREEMENT

This SECOND CONVERSION AGREEMENT (this "**Agreement**") is made and entered into as of November 13, 2024 ("**Effective Date**"), by and between Cedars-Sinai Medical Center, a California nonprofit public benefit corporation ("**Cedars-Sinai**"), on the one hand, and Kairos Pharma, Ltd., a Delaware corporation ("**Kairos**"), and Enviro Therapeutics, Inc., a California corporation and wholly-owned subsidiary of Kairos ("**Enviro**" and together with Kairos, the "**Company**"), on the other hand.

RECITALS

WHEREAS, Cedars-Sinai is a party to those certain license agreements and first conversion agreement with the Company, and amendments thereto, set forth on Schedule A hereto;

WHEREAS, pursuant to such license agreements, the Company owes Cedars-Sinai an aggregate of $286,911.94 in unpaid license fees and related fees, costs and expenses as of October 16, 2024 (the "**Total Liabilities**"); and

WHEREAS, Cedars-Sinai and the Company desire to convert an aggregate of $200,000 of the Total Liabilities (the "**Converted Liabilities**") into shares of common stock of Kairos, par value $0.001 per share ("**Common Stock**"), upon the terms and subject to the conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Conversion of Liabilities**. The Converted Liabilities shall be converted into a number of shares of Common Stock equal to the quotient obtained by dividing (a) the Converted Liabilities by (b) an amount equal to 60% of the price of Common Stock as of the Effective Date (the "**Conversion Shares**"). The parties agree that the Conversion Shares shall be issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of Cedars-Sinai ("**CSIPC**"), as Cedars-Sinai's designee hereunder. No fractional shares of Common Stock will be issued upon conversion of the Converted Liabilities. In lieu of any fractional share of Common Stock to which CSIPC would otherwise be entitled, the Company will pay to CSIPC in cash the amount of the Converted Liabilities that would otherwise be converted into such fractional share. Cedars-Sinai hereby acknowledges and agrees that upon the issuance of the Conversion Shares to CSIPC in accordance with this **Section 1**, the Company shall have fully and completely satisfied all of its obligations with respect to the Converted Liabilities.

2. **Repayment**. The Company hereby agrees to pay to Cedars-Sinai (or its designee), as promptly as practicable, but in no event later than three (3) months, following the Effective Date, an amount in cash equal to the difference between the Total Liabilities and the Converted Liabilities (the "**Excess Liabilities**"). Beginning on the Effective Date and continuing until paid in full, the Excess Liabilities, or any balance thereof remaining after the Company's payment of any portion of the Excess Liabilities, shall incur interest at a rate of two percent (2%) per month, computed as simple interest on the basis of a month of 30 days for the actual number of days elapsed. The interest paid or agreed to be paid under this Section 2 shall not exceed the maximum interest rate permitted by applicable law (the "**Maximum Rate**"). If Cedars-Sinai receives interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the outstanding Excess Liabilities remaining owed. All accrued but unpaid interest hereunder shall be due and payable as promptly as practicable, but in no event later than three (3) months following the Effective Date. Cedars-Sinai hereby acknowledges and agrees that upon payment in full in accordance with this Section 2 of the unpaid Excess Liabilities and all interest accrued thereon, the Company shall have fully and completely satisfied all of its obligations with respect to the Excess Liabilities.

3. **Legal Fees**. Within five business days after its receipt of a summary invoice therefor, the Company shall pay to Cedars-Sinai (or its designee) the reasonable fees and expenses, not to exceed $25,000, of Nixon Peabody, LLP, counsel for Cedars-Sinai, incurred solely with respect to the matters set forth herein (including, but limited to, drafting and negotiating this Agreement and drafting and negotiating amendments to the applicable license agreements).

4. **Representations and Warranties of the Company**. The Company hereby represents and warrants to Cedars-Sinai as of the date of this Agreement and as of the Effective Date as follows:

(a) Organization, Good Standing, Corporate Power and Qualification. Each of Kairos and Enviro is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to carry on its business as presently conducted. Each of Kairos and Enviro is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on their respective business, assets (including intangible assets), liabilities, financial condition, property or results of operations.

(b) Authorization. All corporate action required to be taken by the boards of directors and stockholders of each of Kairos and Enviro in order to authorize them to enter into this Agreement and to issue the Conversion Shares at the Effective Date has been taken or will be taken at or prior to the Effective Date. All action on the part of the officers of each of Kairos and Enviro necessary for the execution and delivery of this Agreement, the performance of all of their respective obligations under this Agreement to be performed as of the Effective Date, and the issuance and delivery of the Conversion Shares has been taken or will be taken prior to the Effective Date. This Agreement, when executed and delivered by each of Kairos and Enviro, shall constitute valid and legally binding obligations of each of Kairos and Enviro, enforceable against them in accordance with its terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) Valid Issuance of Conversion Shares. The Conversion Shares, when issued and delivered in accordance with the terms set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under applicable state and federal securities laws. In addition, the Conversion Shares, upon issuance, shall bear a restrictive legend in substantially the form: "THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE ANO MAY NOT BE SOLO OR OFFERED FOR SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT REGISTERING THE SHARES OR AN OPINION OF COUNSEL OR OTHER EVIDENCE ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

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5. **Representations and Warranties of Cedars-Sinai**. Cedars-Sinai hereby represents and warrants to the Company as of the date of this Agreement and as of the Effective Date as follows:

(a) Organization, Good Standing, Corporate Power and Qualification. Cedars-Sinai is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to carry on its business as presently conducted.

(b) Authorization. Cedars-Sinai has full power and authority to enter into this Agreement. All corporate action required to be taken by the boards of directors and stockholders of Cedars-Sinai necessary for the authorization, execution and delivery of this Agreement, and the performance of all obligations of Cedars-Sinai hereunder has been taken or will be taken at or prior to the Effective Date. This Agreement, when executed and delivered by Cedars-Sinai, shall constitute valid and legally binding obligations of Cedars-Sinai, enforceable against it in accordance with its terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) Acquiring Securities Entirely for Own Account. The Conversion Shares will be acquired for investment for Cedars-Sinai's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and Cedars-Sinai has no present intention of selling or otherwise distributing the same. Cedars-Sinai does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to the Conversion Shares.

(d) Accredited Investor. Cedars-Sinai is an "accredited investor" within the meaning of Rule 501 of Regulation O promulgated pursuant to the Securities Act. Cedars-Sinai is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Conversion Shares.

(e) Restricted Securities. Cedars-Sinai understands that the Conversion Shares are "restricted securities" under the federal and applicable state securities laws and that, pursuant to these laws, Cedars-Sinai must hold the Conversion Shares indefinitely unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. Cedars-Sinai will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Conversion Shares except in compliance with applicable federal and state securities laws.

6. **Further Assurances**. Each party shall execute and deliver such further documents, instruments and certificates, and take such additional action, as may be reasonably requested by any other party to carry out the terms, provisions and purposes of this Agreement.

7. **Entire Agreement; Modification; Governing Law**. This Agreement represents the entire agreement of the parties hereto relative to the subject matter hereof and supersedes any prior agreement with respect hereto and may not be amended or modified except in writing signed by the parties hereto. This Agreement, its construction and the determination of any rights, duties or remedies of the parties arising out of or relating to this Agreement, shall be governed by and construed under and in accordance with the laws of the State of California without respect to any conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

8. **Binding**. This Agreement shall be binding on, and inure to the benefit of, the parties to it and their respective legal representatives, successors and permitted assigns. No party may assign or delegate any of its rights or obligations under this Agreement without the prior written consent of the other parties.

9. **Counterparts**. This Agreement may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution of this Agreement by facsimile or other electronic means (including without limitation portable document format (pdf)) shall be deemed effective and signatures received by facsimile or other electronic means shall be effective as original signatures.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John Yu, M.O
Name: John Yu, M.O.
Title: Chief Executive Officer

Enviro Therapeutics, Inc.

By: /s/ John S. Yu
Name: John Yu, M.O.
Title: Chief Executive Officer

[Signature Page to Conversion Agreement]

Schedule A

License Agreements

1. Exclusive License Agreement to Methods and Use of Compounds that Bind to RelA of NF-KB with Kairos Pharma Ltd. f/k/a NanoGB12, Inc., dated October 1, 2017, as amended by the Letter Amendment dated June 17, 2021, by the Second Amendment dated March 7, 2024, and by the Third Amendment dated November 11, 2024.

2. Exclusive License Agreement to Composition and Methods for Treating Fibrosis with Kairos Pharma Ltd. dated October 1, 2017, as amended by the Letter Amendment dated June 17, 2021, by the Second Amendment dated March 7, 2024, and by the Third Amendment dated November 11, 2024.

3. Exclusive License Agreement to Compositions and Methods for Treating Cancer and Autoimmune Diseases with Kairos Pharma Ltd. dated March 12, 2019, as amended by the Letter Amendment dated June 17, 2021, by the Second Amendment dated March 7, 2024, and by the Third Amendment dated November 11, 2024.

4. Exclusive License Agreement to Compositions and Methods for Treating Diseases and Conditions by Depletion of Mitochondrial or Genomic ONA from Circulation and for Detection of Mitochondrial or Genomic ONA with Enviro Therapeutics, Inc. dated June 2, 2021, as amended by the First Amendment dated April 18, 2022, by the Second Amendment dated October 10, 2022, by the Third Amendment dated March 7, 2024, and by the Fourth Amendment dated November 11, 2024.

5. Exclusive License Agreement to Sensitization of Tumors to Therapies Through Endoglin Antagonism with Enviro Therapeutics, Inc. dated June 2, 2021, as amended by the First Amendment dated April 18, 2022, by the Second Amendment dated October 11, 2022, by the Third Amendment dated March 7, 2024, and by the Fourth Amendment dated November 11, 2024.

6. Conversion Agreement with Kairos Pharma, Ltd. and Enviro Therapeutics, Inc. dated March 7, 2024.

Exhibit 10.7

THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT

THIS THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT (this "**Amendment**") is made and entered into as of November 13, 2024 ("**Amendment Effective Date**"), by and between **CEDARS-SINAI MEDICAL CENTER**, a California nonprofit public benefit corporation ("**CSMC**") and **KAIROS PHARMA, LTD.**, a California corporation ("**Licensee**"), under the following circumstances:

A. CSMC and Licensee entered into an Exclusive License Agreement dated March 12, 2019, as amended by the First Amendment dated June 17, 2021, and the Second Amendment dated March 7, 2024 (collectively, the "**License Agreement**").

B. CSMC and Licensee entered into a first Conversion Agreement dated March 7, 2024 (the "**First Conversion Agreement**"), pursuant to which (i) the parties agreed to convert an aggregate of $750,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock (as defined in the First Conversion Agreement) of Licensee, and (ii) Licensee agreed to pay CSMC the Excess Liabilities, with interest (as previously defined in, and subject to the terms of, the First Conversion Agreement).

C. CSMC and Licensee are entering into a Second Conversion Agreement of even date herewith (the "Second Conversion Agreement"), pursuant to which the (i) the parties shall convert an aggregate of $200,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock, and (ii) Licensee shall pay CSMC the Excess Liabilities, with interest (as re-defined in, and subject to the terms of, the Second Conversion Agreement).

D. Proceeding from the First Conversion Agreement, Licensee owes $8,050.00 under the License Agreement in unpaid annual license maintenance fees, reimbursement of patent costs, and late fees under §§ 4.2 (Patent Costs), 4.3 (Annual License Maintenance Fee), and 4.4(h)(vi) (Late Charges), respectively, of the License Agreement as of October 16, 2024 ("**Discharge Date**") (past-due amounts, collectively, "**Liabilities**"). The Liabilities represent 2.82% of the Total Liabilities (as defined in the Second Conversion Agreement). For clarity, Liabilities do not include owed amounts accruing and due under the License after the Discharge Date.

E. The parties desire to amend the License Agreement as further described herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, in the License Agreement, in the Second Conversion Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. *Defined Terms*. Terms not otherwise defined herein shall have the meaning ascribed to them in the License Agreement and Second Conversion Agreement.

2. ***Amendment to the License Agreement.*** The parties agree that the Liabilities shall be discharged subject to and conditioned upon (i) the execution, delivery, and performance by Licensee of the Second Conversion Agreement, (ii) the issuance of Conversion Shares under the Second Conversion Agreement to CSIPC, and (iii) Licensee's payment to CSMC of the Excess Liabilities. The following shall be added to the end of § 4 (Consideration):

> **4.6 Second Payment of Past Due Amounts**. In full satisfaction of the Liabilities, and subject to the Second Conversion Agreement, (i) 2.82% of the Conversion Shares issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of CSMC ("CSIPC"), shall be allocated by CSMC to satisfaction of the Liabilities, and (ii) 2.82% of the Excess Liabilities paid to CSMC under the Second Conversion Agreement (including any interest due as set forth therein), shall be allocated by CSMC to satisfaction of the Liabilities. Any material breach by Licensee of the Second Conversion Agreement shall be deemed a breach of the License.

3. ***Other Provisions***. This Amendment is a revision to the License Agreement only; it is not a novation thereof. Except as otherwise provided herein, the terms and conditions of the License Agreement shall remain in full force and effect.

4. ***Further Assurances***. Each of the parties hereto shall execute such further documents and instruments and do all such further acts as may be necessary or required in order to effectuate the intent and accomplish the purposes of this Amendment.

5. ***Counterparts***. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Exhibit 10.8

FOURTH AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT

THIS FOURTH AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT (this "**Amendment**") is made and entered into as of November 13, 2024 ("**Amendment Effective Date**"), by and between **CEDARS-SINAI MEDICAL CENTER**, a California nonprofit public benefit corporation ("**CSMC**") and **ENVIRO THERAPEUTICS, INC.**, a California corporation ("**Licensee**"), under the following circumstances:

A. CSMC and Licensee entered into an Exclusive License Agreement dated June 2, 2021, as amended by the First Amendment dated April 18, 2022, the Second Amendment dated October 10, 2022, and the Third Amendment dated March 7, 2024 (collectively, the "**License Agreement**").

B. Licensee is a wholly-owned subsidiary of Kairos Pharma, Ltd. ("**Kairos**").

C. CSMC and Kairos are entered into a first Conversion Agreement dated March 7, 2024 (the "**First Conversion Agreement**"), pursuant to which (i) the parties agreed to convert an aggregate of $750,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock (as defined in the First Conversion Agreement) of Kairos, and (ii) Kairos agreed to pay CSMC the Excess Liabilities, with interest (as previously defined in, and subject to the terms of, the First Conversion Agreement).

D. CSMC and Kairos are entering into a Second Conversion Agreement of even date herewith (the "Second Conversion Agreement"), pursuant to which the (i) the parties shall convert an aggregate of $200,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock, and (ii) Kairos shall pay CSMC the Excess Liabilities, with interest (as re-defined in, and subject to the terms of, the Second Conversion Agreement).

E. Proceeding from the First Conversion Agreement, Licensee owes $27,086.79 under the License Agreement in unpaid upfront fees, patent cost reimbursement, reimbursement of other fees and costs, and late fees under §§ 4.1(a) (Upfront Fee), 4.1(b) (Patent Cost Reimbursement), and 4.2(i)(vi) (Late Charges), respectively, of the License Agreement as of October 16, 2024 ("**Discharge Date**") (past-due amounts, collectively, "**Liabilities**"). The Liabilities represent 8.64% of the Total Liabilities (as defined in the Second Conversion Agreement). For clarity, Liabilities do not include owed amounts accruing and due under the License after the Discharge Date.

F. The parties desire to amend the License Agreement as further described herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, in the License Agreement, in the Second Conversion Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. *Defined Terms*. Terms not otherwise defined herein shall have the meaning ascribed to them in the License Agreement and Second Conversion Agreement.

2. *Amendment to the License Agreement.* The parties agree that the Liabilities shall be discharged subject to and conditioned upon (i) the execution, delivery, and performance by Licensee of the Second Conversion Agreement, (ii) the issuance of Conversion Shares under the Second Conversion Agreement to CSIPC, and (iii) Licensee's payment to CSMC of the Excess Liabilities. The following shall be added to the end of § 4 (Consideration):

> **4.4 Second Payment of Past Due Amounts**. In full satisfaction of the Liabilities, and subject to the Second Conversion Agreement, (i) 8.64% of the Conversion Shares issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of CSMC ("CSIPC"), shall be allocated by CSMC to satisfaction of the Liabilities, and (ii) 8.64% of the Excess Liabilities paid to CSMC under the Second Conversion Agreement (including any interest due as set forth therein), shall be allocated by CSMC to satisfaction of the Liabilities. Any material breach by Licensee of the Second Conversion Agreement shall be deemed a breach of the License.

3. *Other Provisions*. This Amendment is a revision to the License Agreement only; it is not a novation thereof. Except as otherwise provided herein, the terms and conditions of the License Agreement shall remain in full force and effect.

4. *Further Assurances*. Each of the parties hereto shall execute such further documents and instruments and do all such further acts as may be necessary or required in order to effectuate the intent and accomplish the purposes of this Amendment.

5. *Counterparts*. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Enviro Therapeutics, Inc.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Exhibit 10.9

THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT

THIS THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT (this "**Amendment**") is made and entered into as of November 13, 2024 ("**Amendment Effective Date**"), by and between **CEDARS-SINAI MEDICAL CENTER**, a California nonprofit public benefit corporation ("**CSMC**") and **KAIROS PHARMA, LTD.**, a California corporation ("**Licensee**"), under the following circumstances:

A. CSMC and Licensee entered into an Exclusive License Agreement dated October 1, 2017, as amended by the First Amendment dated June 17, 2021, and the Second Amendment dated March 7, 2024 (collectively, the "**License Agreement**").

B. CSMC and Licensee are entered into a first Conversion Agreement dated March 7, 2024 (the "**First Conversion Agreement**"), pursuant to which (i) the parties agreed to convert an aggregate of $750,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock (as defined in the First Conversion Agreement) of Licensee, and (ii) Licensee agreed to pay CSMC the Excess Liabilities, with interest (as previously defined in, and subject to the terms of, the First Conversion Agreement).

C. CSMC and Licensee are entering into a Second Conversion Agreement of even date herewith (the "Second Conversion Agreement"), pursuant to which the (i) the parties shall convert an aggregate of $200,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock, and (ii) Licensee shall pay CSMC the Excess Liabilities, with interest (as re-defined in, and subject to the terms of, the Second Conversion Agreement).

D. Proceeding from the First Conversion Agreement, Licensee owes $31,404.13 under the License Agreement in unpaid reimbursement of patent costs, annual maintenance fees, and late fees under §§ 4.3 (Patent Costs), 4.4 (Annual License Maintenance Fee), and 4.5(h)(vi) (Late Charges), respectively, of the License Agreement as of October 16, 2024 ("**Discharge Date**") (past-due amounts, collectively, "**Liabilities**"). The Liabilities represent 14.94% of the Total Liabilities (as defined in the Second Conversion Agreement). For clarity, Liabilities do not include owed amounts accruing and due under the License after the Discharge Date.

E. The parties desire to amend the License Agreement as further described herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, in the License Agreement, in the Second Conversion Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. *Defined Terms*. Terms not otherwise defined herein shall have the meaning ascribed to them in the License Agreement and Second Conversion Agreement.

2. *Amendment to the License Agreement.* The parties agree that the Liabilities shall be discharged subject to and conditioned upon (i) the execution, delivery, and performance by Licensee of the Second Conversion Agreement, (ii) the issuance of Conversion Shares under the Second Conversion Agreement to CSIPC, and (iii) Licensee's payment to CSMC of the Excess Liabilities. The following shall be added to the end of § 4 (Consideration):

> **4.7 Second Payment of Past Due Amounts**. In full satisfaction of the Liabilities, and subject to the Second Conversion Agreement, (i) 14.94% of the Conversion Shares issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of CSMC ("CSIPC"), shall be allocated by CSMC to satisfaction of the Liabilities, and (ii) 14.94% of the Excess Liabilities paid to CSMC under the Second Conversion Agreement (including any interest due as set forth therein), shall be allocated by CSMC to satisfaction of the Liabilities. Any material breach by Licensee of the Second Conversion Agreement shall be deemed a breach of the License.

3. *Other Provisions*. This Amendment is a revision to the License Agreement only; it is not a novation thereof. Except as otherwise provided herein, the terms and conditions of the License Agreement shall remain in full force and effect.

4. *Further Assurances*. Each of the parties hereto shall execute such further documents and instruments and do all such further acts as may be necessary or required in order to effectuate the intent and accomplish the purposes of this Amendment.

5. *Counterparts*. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Exhibit 10.10

THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT

THIS THIRD AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT (this "**Amendment**") is made and entered into as of November 13, 2024 ("**Amendment Effective Date**"), by and between **CEDARS-SINAI MEDICAL CENTER**, a California nonprofit public benefit corporation ("**CSMC**") and **KAIROS PHARMA, LTD.**, a California corporation ("**Licensee**"), under the following circumstances:

A. CSMC and Licensee entered into an Exclusive License Agreement dated October 1, 2017, as amended by the First Amendment dated June 17, 2021, and the Second Amendment dated March 7, 2024 (collectively, the "**License Agreement**").

B. CSMC and Licensee are entered into a first Conversion Agreement dated March 7, 2024 (the "**First Conversion Agreement**"), pursuant to which (i) the parties agreed to convert an aggregate of $750,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock (as defined in the First Conversion Agreement) of Licensee, and (ii) Licensee agreed to pay CSMC the Excess Liabilities, with interest (as previously defined in, and subject to the terms of, the First Conversion Agreement).

C. CSMC and Licensee are entering into a Second Conversion Agreement of even date herewith (the "Second Conversion Agreement"), pursuant to which the (i) the parties shall convert an aggregate of $200,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock, and (ii) Licensee shall pay CSMC the Excess Liabilities, with interest (as re-defined in, and subject to the terms of, the Second Conversion Agreement).

D. Proceeding from the First Conversion Agreement, Licensee owes $20,386.43 under the License Agreement in unpaid reimbursement of patent costs, annual maintenance fees, and late fees under §§ 4.2 (Patent Costs), 4.3 (Annual License Maintenance), and 4.4(h)(vi) (Late Charges), respectively, of the License Agreement as of October 16, 2024 ("**Discharge Date**") (past-due amounts, collectively, "**Liabilities**"). The Liabilities represent 9.84% of the Total Liabilities (as defined in the Second Conversion Agreement). For clarity, Liabilities do not include owed amounts accruing and due under the License after the Discharge Date.

E. The parties desire to amend the License Agreement as further described herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, in the License Agreement, in the Second Conversion Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. ***Defined Terms***. Terms not otherwise defined herein shall have the meaning ascribed to them in the License Agreement and Second Conversion Agreement.

2. *Amendment to the License Agreement.* The parties agree that the Liabilities shall be discharged subject to and conditioned upon (i) the execution, delivery, and performance by Licensee of the Second Conversion Agreement, (ii) the issuance of Conversion Shares under the Second Conversion Agreement to CSIPC, and (iii) Licensee's payment to CSMC of the Excess Liabilities. The following shall be added to the end of § 4 (Consideration):

> **4.6 Second Payment of Past Due Amounts**. In full satisfaction of the Liabilities, and subject to the Second Conversion Agreement, (i) 9.84% of the Conversion Shares issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of CSMC ("CSIPC"), shall be allocated by CSMC to satisfaction of the Liabilities, and (ii) 9.84% of the Excess Liabilities paid to CSMC under the Second Conversion Agreement (including any interest due as set forth therein), shall be allocated by CSMC to satisfaction of the Liabilities. Any material breach by Licensee of the Second Conversion Agreement shall be deemed a breach of the License.

3. *Other Provisions*. This Amendment is a revision to the License Agreement only; it is not a novation thereof. Except as otherwise provided herein, the terms and conditions of the License Agreement shall remain in full force and effect.

4. *Further Assurances*. Each of the parties hereto shall execute such further documents and instruments and do all such further acts as may be necessary or required in order to effectuate the intent and accomplish the purposes of this Amendment.

5. *Counterparts*. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Exhibit 10.11

FOURTH AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT

THIS FOURTH AMENDMENT TO EXCLUSIVE LICENSE AGREEMENT (this "**Amendment**") is made and entered into as of November 13, 2024 ("**Amendment Effective Date**"), by and between **CEDARS-SINAI MEDICAL CENTER**, a California nonprofit public benefit corporation ("**CSMC**") and **ENVIRO THERAPEUTICS, INC.**, a California corporation ("**Licensee**"), under the following circumstances:

A. CSMC and Licensee entered into an Exclusive License Agreement dated June 2, 2021, as amended by the First Amendment dated April 18, 2022, the Second Amendment dated October 11, 2022, and the Third Amendment dated March 7, 2024 (collectively, the "**License Agreement**").

B. Licensee is a wholly-owned subsidiary of Kairos Pharma, Ltd. ("**Kairos**").

C. CSMC and Kairos are entered into a first Conversion Agreement dated March 7, 2024 (the "**First Conversion Agreement**"), pursuant to which (i) the parties agreed to convert an aggregate of $750,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock (as defined in the First Conversion Agreement) of Kairos, and (ii) Kairos agreed to pay CSMC the Excess Liabilities, with interest (as previously defined in, and subject to the terms of, the First Conversion Agreement).

D. CSMC and Kairos are entering into a Second Conversion Agreement of even date herewith (the "Second Conversion Agreement"), pursuant to which the (i) the parties shall convert an aggregate of $200,000 of Licensee's unpaid fees, costs, and expenses under several license agreements, including this License Agreement, into shares of Common Stock, and (ii) Kairos shall pay CSMC the Excess Liabilities, with interest (as re-defined in, and subject to the terms of, the Second Conversion Agreement).

E. Proceeding from the First Conversion Agreement, Licensee owes $199,984.59 under the License Agreement in unpaid upfront fees, patent cost reimbursement, reimbursement of other fees and costs, and late fees under §§ 4.1(a) (Upfront Fee), 4.1(b) (Patent Cost Reimbursement), 4.1(c) (Reimbursement of Other Fees and Costs), and 4.2(h)(i)vi) (Late Charges), respectively, of the License Agreement as of October 16, 2024 ("**Discharge Date**") (past-due amounts, collectively, "**Liabilities**"). The Liabilities represent 63.76% of the Total Liabilities (as defined in the Second Conversion Agreement). For clarity, Liabilities do not include owed amounts accruing and due under the License after the Discharge Date.

F. The parties desire to amend the License Agreement as further described herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, in the License Agreement, in the Second Conversion Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. *Defined Terms*. Terms not otherwise defined herein shall have the meaning ascribed to them in the License Agreement and Second Conversion Agreement.

2. *Amendment to the License Agreement.* The parties agree that the Liabilities shall be discharged subject to and conditioned upon (i) the execution, delivery, and performance by Licensee of the Second Conversion Agreement, (ii) the issuance of Conversion Shares under the Second Conversion Agreement to CSIPC, and (iii) Licensee's payment to CSMC of the Excess Liabilities. The following shall be added to the end of § 4 (Consideration):

> **4.4 Second Payment of Past Due Amounts**. In full satisfaction of the Liabilities, and subject to the Second Conversion Agreement, (i) 63.77% of the Conversion Shares issued to Cedars Sinai Intellectual Property Company, a California nonprofit public benefit corporation and wholly-owned subsidiary of CSMC ("CSIPC"), shall be allocated by CSMC to satisfaction of the Liabilities, and (ii) 63.77% of the Excess Liabilities paid to CSMC under the Second Conversion Agreement (including any interest due as set forth therein), shall be allocated by CSMC to satisfaction of the Liabilities. Any material breach by Licensee of the Second Conversion Agreement shall be deemed a breach of the License.

3. *Other Provisions*. This Amendment is a revision to the License Agreement only; it is not a novation thereof. Except as otherwise provided herein, the terms and conditions of the License Agreement shall remain in full force and effect.

4. *Further Assurances*. Each of the parties hereto shall execute such further documents and instruments and do all such further acts as may be necessary or required in order to effectuate the intent and accomplish the purposes of this Amendment.

5. *Counterparts*. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

Cedars-Sinai Medical Center

By: /s/ James D. Laur
Name: James D. Laur, JD
Title: Chief Executive, IP & Health Ventures

Kairos Pharma, Ltd.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Enviro Therapeutics, Inc.

By: /s/ John S. Yu
Name: John S. Yu, MD
Title: CEO

Exhibit 10.12

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (the "Amendment") to the Employment Agreement (the "Original Employment Agreement"), originally dated September 27, 2023, is hereby entered into as of the ____ day of November 2024, by and between Kairos Pharma, Ltd., a Delaware corporation (the "Company"), and Doug Samuelson (the "Executive"). Terms not otherwise defined herein shall have the meaning set forth in the Original Employment Agreement

NOW, THEREFORE, in consideration of the premises and mutual promises herein below set forth, the parties hereby amend the below Sections 4 and 5(a) of the Original Employment Agreement as follows:

4. Base Salary. The Executive shall be entitled to receive a salary from the Company during the Employment Period at a rate per year indicated on Schedule A hereto (the "Base Salary"), which Base Salary shall commence on January 1, 2025, with such Base salary to be payable in monthly installments in accordance with the Company's customary payroll practices. The Executive's Base Salary may be increased on each anniversary of the Company's IPO, at the Board's sole discretion.

5. Other Benefits.

(a) Annual Grant of Restricted Stock Units. The Executive shall be entitled to receive a number of restricted stock units ("RSUs") on an annual basis as set forth on Schedule A hereto, with the first issuance of RSUs to be made January 1, 2025, which RSUs are issuable under the Company's 2023 Equity Incentive Plan and will vest annually in one-third increments commencing on the first anniversary date of the grant of such RSUs, in accordance with the terms of a separate Grant Agreement, a form of which is attached hereto as Exhibit A. Any additional equity awards to the Executive shall be at the option of the Board.

[The next page is the signature page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Kairos Pharma, Ltd.

By: ______________________________
Name: John S. Yu, M.D.
Title: Chief Executive Officer

EXECUTIVE:

____
Doug Samuelson

Schedule A

1. Employment Period: 12 months

2. Employment

   a. Title: Chief Financial Officer

   b. Executive Duties:

   In his capacity as Chief Financial Officer, the Executive shall perform such services, consistent with his office, including, but not limited to business planning, budgeting, managing and implementing all of the financial activities of the Company, and such other duties as shall be assigned to him by the Board of Directors of the Company from time to time, devoting such time and effort and performing all of the functions of the offices held by him, as directed by the Board of Directors from time to time.

3. Base Salary: $50,000 per year, commencing upon the Company's completion of its IPO.

   Target Bonus: Cash or stock bonus in such amounts as to be determined by the Board of Directors or compensation committee of the Board of Directors.

5(a). Annual Restricted Stock Grant: 50,000 Restricted Stock Units (the "RSU Annual Grant"), issuable annually on the anniversary date of the Company's consummation of its IPO, which RSUs are issuable under the Company's 2023 Equity Incentive Plan. Each RSU Annual Grant will vest annually in 12 months increment on the anniversary date of the grant, in accordance with the terms of the Restricted Stock Unit Grant Agreement and subject to accelerated vesting upon a Change of Control.

6(e). Severance Period: Six months; however, in the event of a Change of Control, as defined within the Agreement, Executive shall also receive a total 250,000 RSUs, all of which shall be fully vested upon issuance and shall be inclusive of all RSUs received as an RSU Annual Grant.

14(b). Executive Contact Information:

[*]

Exhibit A

Form of Grant Agreement

Exhibit 10.13

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (the "Amendment") to the Employment Agreement (the "Original Employment Agreement"), originally dated September 27, 2023, is hereby entered into as of the 11th day of November 2024, by and between Kairos Pharma, Ltd., a Delaware corporation (the "Company"), and Ramachandran Murali (the "Executive"). Terms not otherwise defined herein shall have the meaning set forth in the Original Employment Agreement

NOW, THEREFORE, in consideration of the premises and mutual promises herein below set forth, the parties hereby amend the below Sections 4 and 5(a) of the Original Employment Agreement as follows:

4. Base Salary. The Executive shall be entitled to receive a salary from the Company during the Employment Period at a rate per year indicated on Schedule A hereto (the "Base Salary"), which Base Salary shall commence on January 1, 2025, with such Base salary to be payable in monthly installments in accordance with the Company's customary payroll practices. The Executive's Base Salary may be increased on each anniversary of the Company's IPO, at the Board's sole discretion.

5. Other Benefits.

(a) Annual Grant of Restricted Stock Units. The Executive shall be entitled to receive a number of restricted stock units ("RSUs") on an annual basis as set forth on Schedule A hereto, with the first issuance of RSUs to be made January 1, 2025, which RSUs are issuable under the Company's 2023 Equity Incentive Plan and will vest annually in one-third increments commencing on the first anniversary date of the grant of such RSUs, in accordance with the terms of a separate Grant Agreement, a form of which is attached hereto as Exhibit A. Any additional equity awards to the Executive shall be at the option of the Board.

[The next page is the signature page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Kairos Pharma, Ltd.

By: ____________________________
Name: John S. Yu, M.D.
Title: Chief Executive Officer

EXECUTIVE:

____
Ramachandran Murali

Schedule A

1. Employment Period: 12 months

2. Employment

   a. Title: Vice President of Research and Development

   b. Executive Duties:

   In his capacity as Vice President of Research and Development , the Executive shall perform such services, consistent with his office, including research and development related activities of the Company, and such other duties as shall be assigned to him by the Board of Directors of the Company from time to time, devoting such time and effort and performing all of the functions of the offices held by him, as directed by the Board of Directors from time to time.

4. Base Salary: $80,000 per year, commence upon the Company's completion of its IPO. Target Bonus: At the discretion of the Board of Directors or a committee thereof.

5(a). Initial Restricted Stock Grant: 14,000,000 Restricted Stock Units issuable under the Company's 2023 Equity Incentive Plan, vesting annually in one-third increments commencing on the first anniversary date of the grant of Restricted Stock Units, in accordance with the terms of the Restricted Stock Unit Grant Agreement.

6(e). Severance Period: Six months

13(b). Executive Contact Information:

[*]

Exhibit A

Form of Grant Agreement

Exhibit 10.14

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (the "Amendment") to the Employment Agreement (the "Original Employment Agreement"), originally dated September 27, 2023, is hereby entered into as of the 11th day of November 2024, by and between Kairos Pharma, Ltd., a Delaware corporation (the "Company"), and Neil Bhowmick (the "Executive"). Terms not otherwise defined herein shall have the meaning set forth in the Original Employment Agreement

NOW, THEREFORE, in consideration of the premises and mutual promises herein below set forth, the parties hereby amend the below Sections 4 and 5(a) of the Original Employment Agreement as follows:

4. Base Salary. The Executive shall be entitled to receive a salary from the Company during the Employment Period at a rate per year indicated on Schedule A hereto (the "Base Salary"), which Base Salary shall commence on January 1, 2025, with such Base salary to be payable in monthly installments in accordance with the Company's customary payroll practices. The Executive's Base Salary may be increased on each anniversary of the Company's IPO, at the Board's sole discretion.

5. Other Benefits.

(a) Annual Grant of Restricted Stock Units. The Executive shall be entitled to receive a number of restricted stock units ("RSUs") on an annual basis as set forth on Schedule A hereto, with the first issuance of RSUs to be made January 1, 2025, which RSUs are issuable under the Company's 2023 Equity Incentive Plan and will vest annually in one-third increments commencing on the first anniversary date of the grant of such RSUs, in accordance with the terms of a separate Grant Agreement, a form of which is attached hereto as Exhibit A. Any additional equity awards to the Executive shall be at the option of the Board.

[The next page is the signature page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Kairos Pharma, Ltd.

By: ______________________________
Name: John S. Yu, M.D.
Title: Chief Executive Officer

EXECUTIVE:

____
Neil Bhowmick

Schedule A

1. Employment Period: 12 months

2. Employment

   a. Title: Chief Scientific Officer
   b. Executive Duties:

In his capacity as Chief Scientific Officer, the Executive shall perform such services, consistent with his office, including scientific-related activities of the Company, and such other duties as shall be assigned to him by the Board of Directors of the Company from time to time, devoting such time and effort and performing all of the functions of the offices held by him, as directed by the Board of Directors from time to time.

4. Base Salary: $100,000 per year, commence upon the Company's completion of its IPO.

5 (a). Target Bonus: Bonus in cash or stock compensation as may be determined at the discretion of the Board of Directors or a committee thereof.

6. Initial Restricted Stock Grant: 14,000 Restricted Stock Units issuable under the Company's 2023 Equity Incentive Plan, vesting annually over a period of three years in substantially equal installments, in accordance with the terms of the Restricted Stock Unit Grant Agreement.

6(e). Severance Period: six months

14(b). Executive Contact Information:

[*]

Exhibit A

Form of Grant Agreement

Exhibit 10.15

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment No. 1 (the "Amendment") to the Employment Agreement (the "Original Employment Agreement"), originally dated September 27, 2023, is hereby entered into as of the 11th day of November 2024, by and between Kairos Pharma, Ltd., a Delaware corporation (the "Company"), and John Yu (the "Executive"). Terms not otherwise defined herein shall have the meaning set forth in the Original Employment Agreement

NOW, THEREFORE, in consideration of the premises and mutual promises herein below set forth, the parties hereby amend the below Sections 4 and 5(a) of the Original Employment Agreement as follows:

4. Base Salary. The Executive shall be entitled to receive a salary from the Company during the Employment Period at a rate per year indicated on Schedule A hereto (the "Base Salary"), which Base Salary shall commence on January 1, 2025, with such Base salary to be payable in monthly installments in accordance with the Company's customary payroll practices. The Executive's Base Salary may be increased on each anniversary of the Company's IPO, at the Board's sole discretion.

5. Other Benefits.

(a) Annual Grant of Restricted Stock Units. The Executive shall be entitled to receive a number of restricted stock units ("RSUs") on an annual basis as set forth on Schedule A hereto, with the first issuance of RSUs to be made January 1, 2025, which RSUs are issuable under the Company's 2023 Equity Incentive Plan and will vest annually in one-third increments commencing on the first anniversary date of the grant of such RSUs, in accordance with the terms of a separate Grant Agreement, a form of which is attached hereto as Exhibit A. Any additional equity awards to the Executive shall be at the option of the Board.

[The next page is the signature page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Kairos Pharma, Ltd.

By: ________________________
Name: Doug Samuelson
Title: Chief Financial Officer

EXECUTIVE:

____
John S. Yu

Schedule A

1. Employment Period: 12 months.

2. Employment

   a. Title: Chief Executive Officer and Chairman of the Board of Directors

   b. Executive Duties:

   In his capacity as Chief Executive Officer, the Executive shall perform such services, consistent with his office, including, but not limited to business planning, budgeting, managing and implementing all of the operational activities of the Company, and such other duties as shall be assigned to him by the Board of Directors of the Company from time to time, devoting such time and effort and performing all of the functions of the offices held by him, as directed by the Board of Directors from time to time.

4. Base Salary: $175,000 per year, commence upon the Company's completion of its IPO.

5(a). Target Bonus: Cash or stock bonus in such amounts as to be determined by the Board of Directors or compensation committee of the Board of Directors.

6. Initial Restricted Stock Grant: 14,000 Restricted Stock Units issuable under the Company's 2023 Equity Incentive Plan, vesting annually over three years in one-third increments commencing on the first anniversary date of the grant of Restricted Stock Units, in accordance with the terms of the Restricted Stock Unit Grant Agreement.

7(e). Severance Period: Six months.

14(b). Executive Contact Information:

[*]

Exhibit A

Form of Grant Agreement

Exhibit 31.1

CERTIFICATION

I, John S. Yu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kairos Pharma, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(r) and 15d-15(r)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

By: */s/ John S. Yu*
John S. Yu
Chief Executive Officer and Chairman of the Board of Directors
(principal executive officer)

Exhibit 31.2

CERTIFICATION PURSUANT

I, Douglas Samuelson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kairos Pharma, Ltd.:

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(r) and 15d-15(r) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

By: */s/ Douglas Samuelson*
Douglas Samuelson
Chief Financial Officer
(*Principal Financial and Accounting Officer*)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kairos Pharma, Ltd. (the "Company") on Form 10-Q pursuant to Rule 15d-2 under the Securities Exchange Act of 1934, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John S. Yu, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: November 14, 2024

/s/ John S. Yu

John S. Yu
Chief Executive Officer and Chairman of the Board of Directors (principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kairos Pharma, Ltd. (the “Company”) on Form 10-Q pursuant to Rule 15d-2 under the Securities Exchange Act of 1934, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Douglas Samuelson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: November 14, 2024

/s/ Douglas Samuelson
Douglas Samuelson
Chief Financial Officer
(Principal Financial and Accounting Officer)