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

FORM 10-K

(Mark One)

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

For the fiscal year ended June 30, 2024

☐ **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 **001-39683**

REZOLUTE, INC.

(Exact Name of Company as Specified in its Charter)

Nevada	**27-3440894**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
275 Shoreline Drive, Suite 500 Redwood City, California	**94065**
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code:	**(650) 206-4507**

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	RZLT	Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☑ No ☐

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 Company 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

As of December 29, 2023, the last business day of the registrants most recently completed second fiscal quarter, the aggregate market value of the registrant's voting stock held by non-affiliates, was approximately $33,252,000, based on the last reported sales price of $0.993 as quoted on the Nasdaq Capital Market on such date.

The registrant had 55,369,764 shares of its $0.001 par value common stock outstanding as of September 13, 2024.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement to be delivered to shareholders in connection with the Annual Meeting of Shareholders to be held on December 5, 2024 are incorporated by reference into Part III of this Annual Report on Form 10-K.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K for the fiscal year ended June 30, 2024 ("Annual Report") contains statements reflecting assumptions, expectations, projections, intentions or beliefs about future events that are intended as "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included or incorporated by reference in this Annual Report, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. These statements appear in a number of places, including, but not limited to "*Management's Discussion and Analysis of Financial Condition and Results of Operations."* These statements represent our reasonable judgment of the future based on various factors and using numerous assumptions and are subject to known and unknown risks, uncertainties and other factors that could cause our actual results and financial position to differ materially from those contemplated by the statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts, and use words such as "anticipate," "believe," "estimate," "expect," "forecast," "may," "should," "plan," "project" and other words of similar meaning. In particular, these include, but are not limited to, statements relating to the following:

- our ability to obtain regulatory approvals or remove regulatory holds for clinical trials and our drug candidates;
- expectations regarding clinical development and the timing of clinical trials in the United States and outside of the United States;
- projected operating or financial results, including anticipated cash flows to be used in operating activities;
- expectations regarding capital expenditures, research and development expenses and the timing of milestone payments required under license agreements;
- our beliefs and assumptions relating to our liquidity position, including our ability to obtain additional financing; and
- our future dependence on third-party manufacturers or strategic partners to manufacture any of our pharmaceutical drugs and diagnostics that receive regulatory approval, and our ability to identify strategic partners and enter into license, co-development, collaboration or similar arrangements.

Any or all of our forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors including, but not limited to, the risks described in "*Risk Factors*" in Part I, Item 1A of this Annual Report.

In addition, there may be other factors that could cause our actual results to be materially different from the results referenced in the forward-looking statements, some of which are included elsewhere in this Annual Report, including "*Management's Discussion and Analysis of Financial Condition and Results of Operations*." Many of these factors will be important in determining our actual future results. Consequently, the accuracy of our forward-looking statements cannot be guaranteed. Our actual future results may vary materially from those expressed or implied in any forward-looking statements. All forward-looking statements contained in this Annual Report are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date they are made, and we disclaim any obligation to update any forward-looking statements to reflect events or circumstances after the date of this Annual Report, except as otherwise required by applicable law.

PART I

Item 1. Business.

Rezolute, Inc. ("Rezolute", the "Company", "we" or "us") is a late-stage rare disease company focused on significantly improving outcomes for individuals with hypoglycemia caused by hyperinsulinism ("HI").

Summary of Clinical Assets

Ersodetug (formerly RZ358)

Our lead clinical asset, ersodetug (formerly RZ358), is a potential treatment for hypoglycemia caused by multiple forms of hyperinsulinism.

Ersodetug is an intravenously administered human monoclonal antibody that binds to a unique site (allosteric) on the insulin receptor in insulin target tissues, such as in the liver, fat, and muscle. The antibody down modulates insulin's binding, signaling, and action thereby counteracting the effects of elevated insulin in the body, and helping to restore glucose to a more normalized range. Ersodetug shows dose dependent pharmacokinetics with a half-life greater than 2 weeks, which has the potential for twice or even once monthly dosing. Therefore, we believe that ersodetug is ideally suited as a potential therapy for conditions characterized by excessive insulin levels, and it is being developed to treat hyperinsulinism and low blood sugar. As ersodetug acts downstream from the beta cells, it has the potential to be universally effective at treating hypoglycemia related to HI, whether genetic or caused by tumors.

Ersodetug for congenital HI

Congenital HI is the most common cause of recurrent and persistent hypoglycemia in children. Individuals with congenital HI typically present with signs or symptoms of hypoglycemia shortly after birth. Hypoglycemia can result in significant brain injury and death if not recognized and managed appropriately. Additionally, recurrent, or cumulative, hypoglycemia can lead to progressive and irreversible damage over time, including serious and devastating brain injury, seizures, neuro-developmental problems, feeding difficulties, and significant impact on patient and family quality of life. In cases that are unresponsive to medical management, surgical removal of the pancreas may be required. In those with diffuse disease where the whole pancreas is affected, a near-total pancreatectomy can be undertaken, although ongoing medical treatment of hypoglycemia is generally required for several years after surgery, before eventual insulin-dependent diabetes ensues. There are no U.S. Food and Drug Administration ("FDA") approved therapies for all forms of congenital HI and the current standard of care treatments are suboptimal. The current treatments used by physicians include glucagon, diazoxide, somatostatin analogues and pancreatectomy. We estimate that in the U.S. alone the addressable market for congenital HI is more than 1,500 individuals.

Ersodetug has received Orphan Drug Designation in the U.S. and European Union for the treatment of congenital HI, as well as Rare Pediatric Disease Designation in the U.S., a prerequisite for a request for a Rare Pediatric Disease Priority Review Voucher upon Biologics License Application ("BLA") submission. Based on the multinational Phase 2b clinical trial ("RIZE") outcomes and the evidence of benefit in this serious condition with substantial unmet medical need, ersodetug was subsequently granted a priority medicines ("PRIME") designation by the European Medicines Agency ("EMA") and an Innovation Passport designation by the UK Innovative Licensing and Access Pathway ("ILAP") Steering Group for the treatment of congenital HI.

Phase 3 sunRIZE

We are actively enrolling a pivotal Phase 3 clinical study (the "sunRIZE" study) of ersodetug for the treatment of hypoglycemia in participants with congenital HI, an ultra-rare pediatric genetic disorder characterized by excessive production of insulin by the pancreas. If untreated, the elevated insulin levels in patients suffering with congenital HI can induce extreme hypoglycemia (low blood sugar) events, increasing the risk of neurological and developmental complications, including persistent feeding problems, learning disabilities, recurrent seizures, brain damage or even death.

The sunRIZE study is a randomized, double-blind, placebo-controlled, parallel arm evaluation of ersodetug in participants 3 months of age and older with congenital HI who are not adequately responding to standard of care medical therapies. Specifically, the study is evaluating the safety and efficacy of ersodetug in participants who are unable to achieve control of low blood sugars ("hypoglycemia" [<70 mg/dL]). The study will determine the ability of ersodetug to correct hypoglycemia as assessed by (i) hypoglycemia events using self-monitored blood glucose ("SMBG") and (ii) time in hypoglycemia using continuous glucose monitoring ("CGM") over 24 weeks of treatment.

To date, we have been screening and enrolling participants outside the U.S. because the FDA had imposed an age restriction of 12 years of age and older on ersodetug clinical studies as well as dose level restrictions based on historical rat toxicology findings. On September 4, 2024, FDA lifted those restrictions and now the Company is conducting study start-up activities at sites in the U.S. in anticipation of enrolling U.S. participants in the sunRIZE study in the first part of 2025. Topline results from the study are anticipated to be available in the second half of calendar 2025.

The study will also measure the levels of ersodetug and its effects on other important blood and clinical markers of hypoglycemia, as well as quality of life measures. The primary and key secondary efficacy endpoints are the following:

Primary efficacy endpoint:

- Change in average weekly occurrence of hypoglycemia events as measured by SMBG after 24 weeks

Key secondary efficacy endpoint:

- Change in average daily percent time in hypoglycemia as measured by CGM after 24 weeks

Approximately 56 participants between 3 months and 45 years of age are intended to be enrolled. Participants between 1 and 45 years of age (approximately 48 participants) will be enrolled in a randomized, double-blind, placebo-controlled fashion to receive ersodetug or placebo at dose levels of 5 or 10 mg/kg while on standard of care. Infant participants between 3 months and 1 year of age (approximately 8 participants) will initially be enrolled in open-label fashion to receive ersodetug at a starting dose level of 5 mg/kg, which may be increased to 10 mg/kg at the discretion of the investigator. Thereafter, pending agreement by an independent Data Monitoring Committee, infant patients may be permitted to be enrolled into the randomized, controlled study. Participants will receive ersodetug as an intravenous infusion every 2 weeks over an initial 4-week loading period (3 doses), followed by monthly doses over an additional 16-week maintenance period (4 doses), for a total of 7 doses over the total 24-week treatment period. Following the study period, participants may proceed into an open-label extension program where investigators shall be permitted to: (i) adjust the dose between 5 and 10 mg/kg; (ii) adjust the dosing frequency between 2 and 4 weeks; and (iii) wean or stop other background hypoglycemia therapies.

In summary, the study will be comprised of the following treatment groups:

- Participants ≥1 year old: 5 mg/kg (n = 16)
- Participants ≥1 year old: 10 mg/kg (n = 16)
- Participants ≥1 year old: placebo (n = 16)
- Initial Infant Participants: starting at 5 mg/kg (n = 8)

Ersodetug for tumor HI

Tumor HI may be caused by two distinct types of tumors: neuroendocrine islet cell tumors ("ICTs") and non-islet cell tumors ("NICTs"), both of which lead to hypoglycemia due to excessive activation of the insulin receptor. Insulinomas are the most common type of functional ICT and mediate hypoglycemia through excessive insulin production. NICTs are generally associated with relatively large, solid tumors such as hepatocellular carcinoma, fibrosarcoma and mesothelioma, and can cause hypoglycemia by producing and secreting insulin-like paraneoplastic substances such as IGF-2 or related variants that bind to and activate the insulin receptor. This form of hypoglycemia can occur in more than 15 different tumor types.

Current therapies for insulinomas and NICTs can be grouped into two main categories: (a) tumor-directed de-bulking therapies (e.g. surgery, chemotherapy, radiotherapy), which may indirectly and/or eventually lead to decreased levels of

circulating insulin and/or insulin-like substances, and therefore control HI and related hypoglycemia; and/or (b) medical therapies that directly treat HI and the associated hypoglycemia. Tumor-directed therapies do not directly treat hypoglycemia caused by insulinomas or NICTs. In many cases, tumor-directed therapies are administered concurrently with medical therapies for hypoglycemia and in other cases successful treatment of hypoglycemia often enables the initiation and/or continuation of tumor-directed therapies, as indicated. During the period from diagnosis to surgical treatment, or if surgery is contraindicated or refused, medical treatments are often necessary to directly manage the HI and hypoglycemia induced by the tumor. Additionally, chronic medical management of refractory hypoglycemia is often necessary for patients who cannot be cured by surgery, such as those with extensive disease of the pancreas, multi-focal insulinomas, inoperable or unresectable benign or malignant insulinomas, metastatic insulinomas, non-pancreatic insulinomas, or NICT hypoglycemia resulting from a variety of other tumors.

A significant unmet need exists for treatment options with improved efficacy and tolerability as normalization of glucose levels is crucial to prevent serious signs and symptoms of hypoglycemia, improve patient quality of life and overall function, and even to ensure patients are fit to receive cancer treatment and to reduce mortality. Unfortunately, some patients are unresponsive to the current standard of care medical therapies for tumor HI and experience debilitating hypoglycemia that is otherwise untreatable. Currently available medical therapies are directed at reducing or eliminating insulin production and/or secretion from tumors, which may be challenging when the tumor is differentiated or dysregulated, and therefore not responding to usual control mechanisms for suppressing insulin production. In some cases, commonly utilized somatostatin analog therapies may even worsen hypoglycemia due to suppression of glucagon. Therefore, currently available medical therapies directed at suppressing insulin production may have limited effectiveness in tumor HI.

While we believe the total addressable market may be larger, the immediately addressable market for the combined indications causing tumor HI is estimated to be approximately 1,500 patients in the U.S. alone, including approximately 500 with islet cell tumor hypoglycemia (“ICTH”) and approximately 1,000 with non-islet cell tumor hypoglycemia (“NICTH”).

On August 5, 2024, we announced FDA clearance of our Investigational New Drug (“IND”) application for a Phase 3 registrational study of ersodetug for the treatment of hypoglycemia due to tumor HI. This is the second rare disease program with ersodetug in Phase 3 development. We are initiating start-up activities for the study, which will be primarily conducted in the U.S., and patient enrollment is planned to commence in the first half of calendar 2025.

The Phase 3 registrational study is a double-blind, randomized, placebo-controlled trial of 24 participants who have inadequately controlled hypoglycemia because of tumor HI. Eligible participants will be randomized in 1:1 fashion (12 per treatment arm) to receive ersodetug 9 mg/kg per week or matched placebo, as an add-on to standard of care. Up to 24 additional participants may be enrolled into an open-label arm, in participants whose hypoglycemia is being managed by IV glucose in a hospital setting. Following a 6-week pivotal treatment period, all participants may receive ersodetug in open-label extension. The primary endpoint is the change in Level 2 (moderate) and Level 3 (severe) hypoglycemia events by self-monitored blood glucose. Additional endpoints include overall hypoglycemia events, time in hypoglycemia by continuous glucose monitor, patient reported quality of life, hospitalizations, and change in glucose requirements (for open-label hospitalized participants).

Expanded Access Program

Ersodetug has been shown to counteract excessive insulin action downstream, at the insulin-receptor on target organs. The unique mechanism of action of ersodetug makes the therapy a potential universal treatment for any form of hyperinsulinism.

We maintain an EAP for a variety of HI indications for the purpose of making ersodetug available on a compassionate use basis when available therapeutic options have failed, and an individual’s hypoglycemia is unmanageable. In the fourth quarter of 2022, we received and approved an EAP request from Dr. Mary Elizabeth Patti, Director of the Hypoglycemia Clinic at the Harvard Medical School and Beth Israel Medical Center-affiliated Joslin Diabetes Center, for a patient with intractable hypoglycemia caused by a metastatic insulinoma. Dr. Patti received a single patient IND approval from the FDA's Office of Cardiology, Hematology, Endocrinology and Nephrology - Division of Diabetes, Lipid Disorders, and

Obesity (“Division”) to treat the patient with ersodetug. Dr. Patti reported that the patient safely achieved correction of hypoglycemia with ersodetug, enabling the patient to wean off continuous intravenous dextrose and several other medications for hypoglycemia, leave the hospital after a prolonged stay, and resume receiving concurrent treatment for his cancer with tumor-directed therapies. The patient remained on ersodetug for more than a year until he eventually passed away due to progression of his underlying malignant/metastatic insulinoma.

We have received and approved several additional requests to date for use of ersodetug in patients with tumor HI caused by metastatic insulinomas and other insulin secreting metastatic cancer (cervical). In the U.S., these requests have all been approved by the Division. These patients have been refractory to usual standard of care therapies for chronic management of hypoglycemia and required continuous high volume/concentration intravenous dextrose or nutritional infusion and were hospitalized and in life-threatening or hospice-bound condition because of uncontrollable hypoglycemia. Further treatment with tumor-directed therapies (e.g., embolization, radiotherapy, chemotherapy) was often deferred as a result of the debilitating hypoglycemia.

Generally, dosing for tumor HI patients has been either 6 mg/kg or 9 mg/kg every 1-2 weeks. In all cases to date, ersodetug has led to substantial improvement in hypoglycemia and has been well tolerated. Within a relatively short period of time after administration of ersodetug, continuous intravenous dextrose was discontinued or substantially reduced and hospitalized patients were able to be discharged and receive maintenance ersodetug doses on an outpatient basis, with durable benefit. In most cases, other background medical therapies for hypoglycemia were able to be weaned or stopped, and patients were able to resume tumor-directed therapies for treatment of their underlying cancer. Patients with metastatic tumor HI often have underlying hepatic injury (abnormal enzymes) at baseline due to hepatic metastases or previous tumor-directed treatments (e.g., partial liver resection or embolization). The patients with hepatic injury that have been treated under the EAP have not exhibited any indication of hepatic toxicity with the use of ersodetug.

RZ402

Our second clinical asset, RZ402, is an oral plasma kallikrein inhibitor (“PKI”) and potential therapy for the chronic treatment of diabetic macular edema (“DME”). DME is a vascular complication of diabetes and a leading cause of blindness in the U.S. and elsewhere. Chronic exposure to high blood sugar levels can lead to inflammation, cell damage, and the breakdown of blood vessel walls. Specifically, in DME, retinal blood vessels at the back of the eye become porous and permeable leading to the unwanted infiltration of fluid into the macula. This fluid leakage creates distorted vision, and if left untreated, blindness.

In May 2024, we completed a Phase 2 multi-center, randomized, double-masked, placebo-controlled, parallel arm study to evaluate the safety, efficacy, and pharmacokinetics of RZ402 administered as a monotherapy over a 12-week treatment period in participants with DME who are naïve to, or have received limited anti-VEGF injections. The study population was comprised of DME patients with mild to moderate non-proliferative diabetic retinopathy. Eligible participants were randomized equally, to one of three RZ402 active treatment arms at doses of 50, 200, and 400 mg, or a placebo control arm, to receive study drug once daily for 12 weeks, before completing a 4-week follow-up. The study enrolled 94 patients in the U.S. The study met both primary endpoints, demonstrating a significant reduction in central subfield thickness (“CST") in the study eye at all RZ402 dose levels compared to placebo (up to approximately 50 micron improvement), as well as good safety and tolerability. The program is available for partnering and we are actively engaged in conversations with potential partners to take RZ402 into further development.

Intellectual Property

Our success depends on an intellectual property portfolio that supports our future revenue streams and also erects barriers to our competitors. We are maintaining and building our patent portfolio through filing new patent applications; prosecuting existing applications; and licensing patents and patent applications. Furthermore, we seek to protect our ownership of know-how, trade secrets and trademarks through an active program of legal mechanisms including registrations, assignments, confidentiality agreements, material transfer agreements, research collaborations and licenses. While we have confidence in our agreements and security measures, either may be compromised, and we may not have adequate remedies. In addition, our trade secrets may otherwise become known or independently discovered by competitors.

U.S. patents, as well as most foreign patents, are generally effective for 20 years from the date the earliest application was filed. U.S. patents that were issued on applications filed before June 8, 1995, may be effective until 17 years from the issue date, if that is later than the 20-year date. In some cases, the patent term may be extended to recapture a portion of the term lost during regulatory review of the claimed therapeutic or, in the case of the U.S., because of U.S. Patent and Trademark Office (USPTO) delays in prosecuting the application. In the U.S., under the Drug Price Competition and Patent Term Restoration Act of 1984 (commonly known as the Hatch-Waxman Act), a patent that covers a drug approved by the FDA may be eligible for patent term extension (for up to five years, but not beyond a total of 14 years from the date of product approval) as compensation for patent term lost during the FDA regulatory review process. The duration and extension of the term of foreign patents varies in accordance with local law. In the EU, Supplementary Protection Certificates, or SPCs, are available to extend a patent term up to five years to compensate for patent protection lost during regulatory review. Although all EU Member States must provide SPCs, SPCs must be applied for and granted on a country-by-country basis. Limited exceptions apply to the protection conferred by the SPC.

As further described in the "XOMA License Agreement" section below, we hold a worldwide, exclusive license from XOMA to patents covering the ersodetug molecule, including 37 issued patents worldwide and in the U.S. (3 U.S.) and pending patent applications with claims directed to compositions of matter and methods of use in therapy. These patents expire between 2030 to 2036. We also are pursuing patent applications relating to formulations of the clinical product candidate. In addition, for certain of our product candidates we also expect to have further exclusivity in the form of data and marketing exclusivity under pharmaceutical regulatory laws, including for example, potentially up to 12 years of exclusivity from the date of first BLA approval of our product candidates.

We also hold a worldwide, exclusive license from ActiveSite to patents covering the RZ402 molecule, certain prodrug forms of RZ402, and uses (as further described in the "ActiveSite License Agreement" section below), including 9 issued international patents and 7 issued U.S. patents. We have additional patents (2 U.S.) and pending patent applications (3 U.S. and 29 international) with claims directed to formulations, solid forms of RZ402, methods of preparing RZ402, and methods of use in therapy. These patents are expected to expire between 2040 and 2043. We also expect to be granted further exclusivity in the form of data and marketing exclusivity under pharmaceutical regulatory laws in various jurisdictions.

Competition

We face competition from pharmaceutical and biotechnology companies, academic institutions, governmental agencies, and private research organizations in recruiting and retaining highly qualified scientific personnel and consultants and in the development and acquisition of technologies.

There are other companies developing therapies for HI that are potential competitors to ersodetug, including, Amylyx Pharmaceuticals, Hanmi Pharmaceuticals, and Zealand Pharma.

There are also companies developing therapies for DME that are potential competitors to our PKI including Curacle, KalVista, Ocuphire Pharma, Oxurion and Verseon.

Government Regulation

Regulation by governmental authorities in the U.S. and other countries is a significant factor in the development, manufacture and marketing of pharmaceutical products. All of our potential products will require regulatory approval by governmental agencies prior to commercialization. In particular, pharmaceutical therapies are subject to rigorous preclinical testing and clinical trials and other pre-market approval requirements by the FDA and Regulatory Authorities (as defined below) in foreign countries. Various federal, state and foreign statutes and regulations also govern or influence the manufacturing, safety, labeling, storage, record keeping and marketing of such products.

In addition, we are subject to various federal, state, and local laws, regulations and recommendations relating to safe working conditions; laboratory and manufacturing practices; the experimental use of animals; and the use and disposal of

hazardous or potentially hazardous substances, including radioactive compounds and infectious disease agents, used in connection with our research, development and manufacturing.

Research and Development

We incurred approximately $55.7 million and $43.8 million in research and development expenses for the fiscal years ended June 30, 2024 and 2023, respectively. For further discussion of activities related to ersodetug and RZ402 product candidates, please refer to the discussion above. For further discussion of our research and development expenses, please refer to the discussion under the caption *Results of Operations* under Item 7 of this Annual Report.

Human Capital Management

Employees

As of June 30, 2024, we had 59 full time employees, of which 42 employees were engaged in research and development, manufacturing, clinical operations, regulatory and quality activities and 17 employees were engaged in administrative functions. Of the 59 employees, all were located in the United States. We have a number of employees who hold Ph.D. degrees and other advanced degrees. None of our employees are covered by a collective bargaining agreement, and we have experienced no work stoppages nor are we aware of any employment circumstances that are likely to disrupt work at any of our facilities. As part of our measures to attract and retain personnel, we provide a number of benefits to our full-time employees, including health insurance, life insurance, retirement plans, paid holiday and vacation time. In addition, we grant stock options to certain key employees as an added incentive to remain in our employment. We believe that we maintain good relations with our employees.

Diversity and Inclusion

Diversity and inclusion are priorities for us. We believe that a rich culture of inclusion and diversity enables us to create, develop and fully leverage the strengths of our workforce. In furtherance of our commitment to inclusion and diversity, on May 30, 2023, we adopted an equity and inclusion policy.

Human Resources, Hiring and Professional Development

The development, attraction and retention of employees is critical to our success. We work diligently to attract the best talent from a diverse range of sources in order to meet the current and future demands of our business. We leverage both formal and informal programs to identify, foster and retain top talent.

Business Ethics

Our Code of Business Conduct and Ethics is designed to ensure that the conduct of our business is consistent with the highest standards of business ethics. Our Code of Business Conduct and Ethics serves as a critical tool to help employees recognize and report unethical conduct, while preserving our culture of excellence. Our Board of Directors, management and staff are provided with training regarding our Code of Business Conduct and Ethics. On May 30, 2023, we adopted an amended and restated Code of Business Conduct and Ethics. The purpose of amending and restating the prior code was to improve its readability and clarify certain areas of importance, including with respect to compliance with laws, accounting and auditing matters, conflicts of interest, insider trading, confidentiality obligations and the reporting of violations of our Code of Business Conduct and Ethics.

Corporate Information

We were incorporated in Delaware in 2010, and we reincorporated in Nevada in June 2021. We maintain an executive office located at 275 Shoreline Drive, Suite 500, Redwood City, CA 94065 and our phone number is (650) 206-4507. Our website is located at www.rezolutebio.com. We file annual, quarterly, current reports, proxy statements and other information with the Securities and Exchange Commission (“SEC”). The SEC maintains a website that contains our public

filings and other information regarding the Company, at www.sec.gov. The information contained in, or that can be accessed through, our website is not part of, and is not incorporated into this document.

Item 1A. Risk Factors.

Investors should consider carefully the following risks before deciding to purchase any of our securities. If any of the events or developments described below actually occur, our business, results of operations and financial condition would likely suffer and investors may lose all or part of their investment. In addition, it is also possible that other risks and uncertainties that affect our business may arise or become material in the future.

Risks Related to Our Product Development and Commercialization

Any delays in the commencement or completion, or termination or suspension, of our future clinical trials, if any, could result in increased costs to us, delay or limit our ability to generate revenue and adversely affect our commercial prospects.

Before obtaining approval from the government authorities or professional bodies with authority to grant regulatory approval for our drug candidates in a particular country, such as the European Medicines Agency ("EMA"), the Food and Drug Administration of the U.S. Department of Health and Human Services ("FDA") and analogous authorities in other jurisdictions outside of the United States ("Regulatory Authorities"), we must conduct extensive clinical studies to demonstrate safety and efficacy. Clinical testing is expensive, time consuming and uncertain as to the outcome. Any delays in the commencement or completion of our ongoing, planned or future clinical trials could significantly increase our costs, slow down our development and approval process and jeopardize our ability to commence product sales and generate revenues. We do not know whether our planned trials will begin on time or at all, or be completed on schedule, if at all. The commencement and completion of clinical trials can be delayed for a number of reasons, including delays related to:

- Regulatory Authorities disagreeing as to the design or implementation of our clinical trials or with our recommended dose for any of our pipeline programs;
- obtaining Regulatory Authority authorization to commence a trial or reaching a consensus with such Regulatory Authorities on trial design;
- identifying and activating investigators and clinical trial sites to conduct trials;
- obtaining approval from one or more independent institutional review boards ("IRB") or Ethics Committee ("EC") at each clinical trial site before each trial may be initiated;
- IRBs/ECs refusing to approve, suspending or terminating the trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval of the trial;
- changes to a clinical trial protocol;
- clinical sites deviating from trial protocol or dropping out of a trial;
- failing to manufacture or obtain sufficient quantities of drug candidate, or, if applicable, combination therapies for use in clinical trials;
- patients failing to enroll or remain in our trial at the rate we expect, or failing to return for post-treatment follow-up;
- patients choosing an alternative treatment, or participating in competing clinical trials;
- lack of adequate funding to continue the clinical trial;
- patients experiencing severe or unexpected drug-related adverse effects;
- occurrence of serious adverse events in trials of the same class of agents conducted by other companies;
- selecting or being required to use clinical end points that require prolonged periods of clinical observation or analysis of the resulting data;
- a facility manufacturing our drug candidates, or any of their components, including without limitation, our own facilities being ordered by Regulatory Authorities to temporarily or permanently shut down due to violations of current good manufacture practices, regulations or other applicable requirements, or infections or cross-contaminations in the manufacturing process;
- lack of stability of our clinical trial material or any quality issues that arise with the clinical trial material;

- any changes to our manufacturing process that may be necessary or desired;
- our, or our third-party contractors, not performing data collection or analysis in a timely or accurate manner or improperly disclosing data prematurely or otherwise in violation of a clinical trial protocol;
- any third-party contractors becoming debarred or suspended or otherwise penalized by Regulatory Authorities or other government or regulatory bodies for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or all of the data produced by such contractors in support of our marketing applications;
- a clinical trial being suspended or terminated by us, by the IRBs/ECs of the institutions in which such trials are being conducted, by a Data Safety Monitoring Board for such trial or by Regulatory Authorities, due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by Regulatory Authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using the product under investigation, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial; or
- changes in regulatory requirements and policies and our need to amend clinical trial protocols to comply with these changes and potentially resubmit our clinical trial protocols to IRBs/ECs for reexamination.

Delays in initiating a new phase of clinical trials resulting from action by FDA or any other Regulatory Authority would delay the approval obtainment and commercialization of our product candidates and our ability to generate revenue, which would have an adverse effect on our business.

Adverse events in our clinical trials may force us to stop development of our product candidates or prevent regulatory approval of our product candidates.

Our product candidates may produce serious adverse events in patients during clinical trials. These adverse events could interrupt, delay or halt clinical trials of our product candidates and could result in the FDA, or other Regulatory Authorities requesting additional preclinical data or denying approval of our product candidates for any or all targeted indications. An IRB/EC, independent Data Safety Monitoring Board, the FDA, other Regulatory Authorities or the Company itself may suspend or terminate clinical trials at any time. We cannot assure you that any of our product candidates will prove safe for human use.

We are exposed to additional risks as we conduct the sunRIZE study outside of the U.S. and may not be successful in meeting the study's primary endpoint.

Prior to the FDA's lift of the partial clinical hold in September 2024, we initiated and are advancing the sunRIZE study outside of the U.S. The sunRIZE study may not produce positive results and meet its primary endpoint outside of the U.S. We may need to commence and complete additional clinical trials that satisfy the specified primary endpoint criteria in order to obtain necessary regulatory approvals from the EMA for ersodetug. Conducting clinical trials outside the U.S. also exposes us to additional risks, including risks associated with:

- additional foreign regulatory requirements;
- foreign exchange fluctuations;
- compliance with foreign manufacturing, customs, shipment and storage requirements;
- potential political or economic instability in the jurisdictions where we initiate clinical trials;
- cultural differences in medical practice and clinical research; and
- diminished protection of intellectual property in some countries.

After the completion of our clinical studies, we cannot predict whether or when we will obtain regulatory approval to commercialize our product candidates and we cannot, therefore, predict the timing of any future revenue from these product candidates.

Even if we achieve positive clinical results and file for regulatory approval, we cannot commercialize any of our product candidates until the appropriate Regulatory Authorities have reviewed and approved the applications for such product

candidates. We cannot provide assurance that the Regulatory Authorities will complete their review processes in a timely manner or that we will obtain regulatory approval for any product candidate we develop. Satisfaction of regulatory requirements typically takes many years, is dependent upon the type, complexity and novelty of the product and requires the expenditure of substantial resources. In addition, we may experience delays or rejections based upon additional government regulation from future legislation or administrative action or changes in Regulatory Authority policy during the period of product development, clinical studies and regulatory review.

If we or a Regulatory Authority discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, a Regulatory Authority may impose restrictions on that product, the manufacturing facility or us, including requiring recall or withdrawal of the product from the market or suspension of manufacturing. If we, our product candidates or the manufacturing facilities for our product candidates fail to comply with applicable regulatory requirements, a Regulatory Authority may: issue warning letters or untitled letters; seek an injunction or impose civil or criminal penalties or monetary fines; suspend or withdraw regulatory approval; suspend any ongoing clinical studies; refuse to approve pending applications or supplements to applications filed by us; suspend or impose restrictions on operations, including costly new manufacturing requirements; or seize or detain products, refuse to permit the import or export of products, or require us to initiate a product recall.

The occurrence of any event or penalty described above may inhibit our ability to commercialize our products and generate revenue.

If our product candidates do not meet safety or efficacy requirements, they will not receive regulatory approval and we will be unable to market them.

The process of drug development, regulatory review and approval typically is expensive, takes many years and the timing of any approval cannot be accurately predicted. If we fail to obtain regulatory approval for our current or future product candidates, we will be unable to market and sell such products and therefore may never be profitable.

As part of the regulatory approval process, we must conduct preclinical studies and clinical trials for each product candidate to demonstrate safety and efficacy. The number of preclinical studies and clinical trials that will be required varies depending on the product candidate, the indication being evaluated, the trial results and regulations applicable to any particular product candidate.

The results of preclinical studies and initial clinical trials of our product candidates do not necessarily predict the results of later-stage clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy despite having progressed through initial clinical trials. We cannot assure you that the data collected from the preclinical studies and clinical trials of our product candidates will be sufficient to support approval by the FDA or a foreign Regulatory Authority. In addition, the continuation of a particular study after review by an independent Data Safety Monitoring Board does not necessarily indicate that our product candidate will achieve the clinical endpoint.

The FDA and other Regulatory Authorities can delay, limit or deny approval for many reasons, including: a product candidate may not be safe or effective; our manufacturing processes or facility may not meet the applicable requirements; and changes in Regulatory Authority approval policies or adoption of new regulations may require additional clinical trials or work on our end.

Any delay in, or failure to receive or maintain, approval for any of our products could prevent us from ever generating meaningful revenues or achieving profitability.

Our product candidates are prone to the risks of failure inherent in drug development. Before obtaining regulatory approvals for the commercial sale of any product candidate for a target indication, we must demonstrate safety in preclinical studies and effectiveness with substantial evidence gathered in well-controlled clinical studies. With respect to approval in the U.S., to the satisfaction of the FDA and, with respect to approval in other countries, to the satisfaction of Regulatory Authorities in those countries, we must demonstrate that the product candidate is safe and effective for use for that target indication and that the manufacturing facilities, processes and controls are adequate.

Despite our efforts, our product candidates may not: offer therapeutic benefit or other improvements over existing, comparable therapeutics; be proven safe and effective in clinical studies; meet applicable regulatory standards; be capable of being produced in sufficient quantities at acceptable costs; be successfully commercialized; or obtain favorable reimbursement.

We are not permitted to market any of our other product candidates in the U.S. until we receive approval of a new drug application, or approval of a biologics license application, from the FDA, or in any foreign countries until we receive the requisite approval from such countries. We have not submitted a new drug application or biologics license application or received marketing approval for any of our product candidates.

Preclinical testing and clinical studies are long, expensive and uncertain processes. We may spend several years completing our testing for any particular product candidate, and failure can occur at any stage. Negative or inconclusive results or adverse medical events during a clinical study could also cause us, one or more IRBs/ECs at clinical trial sites, a Data Safety Monitoring Board or the FDA or other Regulatory Authority to terminate a clinical study or require that we repeat it or conduct additional studies. Additionally, data obtained from a clinical study is susceptible to varying interpretations and the FDA or other Regulatory Authorities may interpret the results of our clinical studies less favorably than we do. The FDA and equivalent foreign Regulatory Authorities have substantial discretion in the approval process and may decide that our data is insufficient to support a marketing application and require additional preclinical, clinical or other studies.

Due to our reliance on contract research organizations or other third parties to conduct clinical trials, we may not have complete control over the timing, conduct and expense of our clinical trials.

We rely primarily on third parties to conduct our clinical trials. As a result, we will have less control over the conduct of the clinical trials, the timing and completion of the trials, the required reporting of adverse events and the management of data developed through the trial than would be the case if our own staff conducted all aspects of our clinical trials. Communicating with outside parties can also be challenging, potentially leading to mistakes and difficulties in coordinating activities. Outside parties may have staffing difficulties, may undergo changes in priorities or may become financially distressed, adversely affecting their willingness or ability to conduct our trials. We may experience unexpected increased costs that are beyond our control. Problems with the timeliness or quality of the work of a contract research organization may lead us to seek to terminate the relationship and use an alternative service provider. However, making this change may be costly and may delay our trials, and contractual restrictions may make such a change difficult or impossible. Additionally, it may be impossible to find a replacement organization that can conduct our trials in an acceptable manner and at an acceptable cost.

Any failure or delay by our third-party suppliers on which we rely or intend to rely to provide materials necessary to develop and manufacture our drug products may delay or impair our ability to commercialize our product candidates.

We rely upon a small number of third-party suppliers for the manufacture of certain raw materials that are necessary to formulate our drug products for preclinical and clinical testing purposes. We intend to continue to rely on them in the future. We also expect to rely upon third parties to produce materials required for the commercial production of our product candidates if we succeed in obtaining necessary regulatory approvals. If we are unable to arrange for third-party sources, or do so on commercially unreasonable terms, we may not be able to complete development of or market our product candidates. In addition, third-party suppliers that we engage may be adversely impacted by COVID-19.

It is possible that our raw material suppliers may not be able to sell these raw materials at the times we need them or on commercially reasonable terms due to forces outside of our control including, but not limited to, inflation and global conflicts. We do not have any control over the process or timing of the acquisition of these raw materials by our manufacturers. Our third-party manufacturers and suppliers may encounter delays in providing their services as a result of supply chain constraints. Moreover, we currently do not have any agreements for the commercial production of these raw materials. Although we generally do not begin a clinical study unless we believe we have a sufficient supply of a product candidate to complete the clinical study, any significant delay in the supply of raw material components needed to produce a product candidate for a clinical study due to the need to replace a third-party manufacturer could considerably delay completion of our clinical studies, product testing and potential regulatory approval of our product candidates. If we or our manufacturers are unable to purchase these raw materials after regulatory approval has been obtained for our product

candidates, the commercial launch of our product candidates would be delayed or there would be a shortage in supply of such product candidates, which would impair our ability to generate revenues from the sale of our product candidates.

If we successfully commercialize any of our product candidates, we may be required to establish commercial manufacturing capabilities of larger scale. In addition, as our drug development pipeline increases and matures, we will have a greater need for clinical study and commercial manufacturing capacity. We have no experience manufacturing pharmaceutical products on a commercial scale and we may need to rely on third-party manufacturers with capacity for increased production scale to meet our projected needs for commercial manufacturing, the satisfaction of which on a timely basis may not be met.

If we use hazardous and biological materials in a manner that causes injury or violates applicable law, we may be liable for damages.

Our research and development activities involve the controlled use of potentially hazardous substances, including toxic chemical and biological materials. We could be held liable for any contamination, injury or other damages resulting from these hazardous substances. In addition, our operations produce hazardous waste products. While third parties are responsible for disposal of our hazardous waste, we could be liable under environmental laws for any required cleanup of sites at which our waste is disposed. Federal, state, foreign and local laws and regulations govern the use, manufacture, storage, handling and disposal of these hazardous materials. If we fail to comply with these laws and regulations at any time, or if they change, we may be subject to criminal sanctions and substantial civil liabilities, which may harm our business. Even if we continue to comply with all applicable laws and regulations regarding hazardous materials, we cannot eliminate the risk of accidental contamination or discharge and our resultant liability for any injuries or other damages caused by these accidents.

Guidelines and recommendations published by various organizations may adversely affect the use of any products for which we may receive regulatory approval.

Government agencies issue regulations and guidelines directly applicable to us and to our product candidates. In addition, professional societies, practice management groups, private health or science foundations and organizations involved in various diseases from time to time publish guidelines or recommendations to the medical and patient communities. These various sorts of recommendations may relate to such matters as product usage and use of related or competing therapies. For example, organizations like the American Diabetes Association have made recommendations about therapies in the diabetes therapeutics market. Changes to these recommendations or other guidelines advocating alternative therapies could result in decreased use of any products for which we may receive regulatory approval, which may adversely affect our results of operations.

Risks Related to Our Business

Changes in financial accounting standards or policies have affected, and in the future may affect, our reported financial condition or results of operations; there are inherent limitations to our system of internal controls; changes in corporate governance policies and practices may impact our business.

We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of our financial statements in accordance with GAAP requires that we make estimates and assumptions that affect the recorded amounts of assets, liabilities and net income during the reporting period. A change in the facts and circumstances surrounding those estimates could result in a change to our estimates and could impact our future operating results. GAAP is subject to interpretation by the Financial Accounting Standards Board (“FASB”), the SEC and various bodies formed to interpret and create accounting policies. A change in those policies can have a significant effect on our reported results and may affect our reporting of transactions which are completed before a change is announced. In general, changes to accounting rules or challenges to our interpretation or application of the rules by regulators may have a material adverse effect on our reported financial results or on the way we conduct business.

Our system of internal and disclosure controls and procedures was designed to provide reasonable assurance of achieving its objectives. However, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been or will be detected. As a result, there can be no assurance that our system of internal and disclosure controls and procedures will be successful in preventing all errors, theft and fraud, or in informing management of all material information in a timely manner.

Finally, corporate governance, public disclosure and compliance practices continue to evolve based upon continuing legislative action, SEC rulemaking and policy positions taken by large institutional stockholders and proxy advisors. As a result, the number of rules, regulations and standards applicable to us may become more burdensome to comply with, could increase scrutiny of our practices and policies by these or other groups and increase our legal and financial compliance costs and the amount of time management must devote to governance and compliance activities. For example, the SEC has recently proposed rules requiring that issuers provide significantly increased disclosures concerning cybersecurity matters and the impact of climate changes on their business and has adopted rules requiring public companies to adopt more stringent executive compensation clawback policies. Increasing regulatory burdens and corporate governance requirements could also make it more difficult for us to attract and retain qualified members of our Board of Directors and qualified executive officers.

We have a history of losses and may not achieve profitability in the future. We will need substantial additional capital to fund our operations. If we fail to obtain additional capital, we will be unable to sustain operations.

We incurred net losses of $68.5 million and $51.8 million for the fiscal years ended June 30, 2024 and 2023, respectively. As of June 30, 2024, we had an accumulated deficit of $329.4 million. Cash used in our operating activities amounted to $57.4 million and $44.5 million for the fiscal years ended June 30, 2024 and 2023, respectively. We expect that the amount of cash used in our operating activities will continue to increase for the next several years. As of June 30, 2024, we had cash and cash equivalents of $70.4 million and investments in marketable debt securities of $56.7 million that is expected to provide us with adequate capital resources to fund planned activities at least through the second quarter of calendar year 2026.

Since our inception, we have not generated meaningful revenue. We expect to continue to incur operating losses for the foreseeable future as we develop and commercialize our product candidate pipeline, and we expect to need additional capital from external sources before we will be able to begin generating revenue, if ever. If we are unable to raise additional capital, we may have to significantly delay, scale back or discontinue one or more of our research and development programs. We may be required to cease operations or seek partners for our product candidates at an earlier stage than otherwise would be desirable and on terms that are less favorable than might otherwise be available. In the absence of additional capital we may also be required to relinquish, license or otherwise dispose of rights to technologies, product candidates or products that we would otherwise seek to develop or commercialize on terms that are less favorable than might otherwise be available. If we are unable to secure additional capital, we may be required to take additional measures to reduce costs in order to conserve our cash in amounts sufficient to sustain operations and meet our obligations. These measures could cause significant delays in the development of our product candidates.

We face potential product liability exposure, and, if successful claims are brought against us, we may incur substantial liability.

The use of our product candidates in clinical studies and the sale of any products for which we obtain marketing approval expose us to the risk of product liability claims. Product liability claims might be brought against us by consumers, health care providers, pharmaceutical companies or others selling or otherwise coming into contact with our products. If we cannot successfully defend ourselves against product liability claims, we could incur substantial liabilities. In addition, regardless of merit or eventual outcome, product liability claims may result in: impairment of our business reputation; withdrawal of clinical study participants; costs of related litigation; distraction of management's attention from our primary business; substantial monetary awards to patients or other claimants; the inability to commercialize our product candidates; and decreased demand for our product candidates, if approved for commercial sale.

We currently have clinical trial insurance for our active clinical programs. This product liability insurance coverage for our clinical studies may not be sufficient to reimburse us for all expenses or losses we may suffer. Moreover, insurance

coverage is becoming increasingly expensive, and, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. If and when we obtain marketing approval for any of our product candidates, we intend to expand our insurance coverage to include the sale of commercial products; however, we may be unable to obtain this product liability insurance on commercially reasonable terms. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated adverse effects. A successful product liability claim, or series of claims, brought against us could cause our stock price to decline and, if judgments exceed our insurance coverage, could decrease our cash and adversely affect our business.

We may not be able to use a significant portion of our net operating loss carryforwards, which could adversely affect our profitability.

Federal and state laws impose substantial restrictions on the utilization of net operating loss ("NOL") carryforwards in the event that certain ownership changes occur as defined in Section 382 of the Internal Revenue Code ("IRC"). Due to our financing activities, we experienced ownership changes that have resulted in significant limitations on the future use of our NOL carryforwards. As of June 30, 2024, we have US federal NOL carryforwards of approximately $171.7 million, of which $33.4 million will expire without any opportunity for utilization due to the limitations set forth in IRC Section 382. Assuming that further IRC Section 382 ownership changes do not occur, the remaining $138.3 million of NOL carryforwards consist of approximately (i) $38.0 million that never expire and are currently available to offset taxable income, (ii) $9.6 million that are currently available to offset taxable income but if not utilized will expire in 2031 through 2035, (iii) $11.7 million that becomes available through 2038 and that expire by June 30, 2038 if not utilized, and (iv) $79.0 million that never expire. With respect to $79.0 million of NOL carryforwards that never expire, this amount will become available in varying annual amounts for an aggregate of approximately $13.2 million through fiscal year 2038, and $1.2 million annually thereafter. It is possible that any future ownership changes could result in further limitations on the use of our NOL carryforwards or other tax attributes, which could adversely affect our future financial position, profitability and cash flows.

If we fail to maintain proper and effective internal control over financial reporting, our ability to produce accurate and timely financial statements could be impaired, investors may lose confidence in our financial reporting and the trading price of our common stock may decline.

We are subject to Section 404 of The Sarbanes-Oxley Act of 2002 ("Section 404"), and the related rules of the SEC which generally require our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Section 404 requires an annual management assessment of the effectiveness of our internal control over financial reporting. Effective April 27, 2020, the SEC adopted amendments to the "accelerated filer" and "large accelerated filer" definitions in Rule 12b-2 under the Securities and Exchange Act of 1934. The amendments exclude from the "accelerated filer" and "large accelerated filer" definitions an issuer that is eligible to be a smaller reporting company and that had annual revenues of less than $100 million in the most recent fiscal year for which audited financial statements are available. We determined that our Company does not meet the accelerated or large accelerated filer definitions as of June 30, 2024. For so long as we remain a smaller reporting company and a non-accelerated filer, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies, including, but not limited to, not being required as a non-accelerated filer to comply with the auditor attestation requirements of Section 404(b). An independent assessment by our independent registered public accounting firm of the effectiveness of internal control over financial reporting could detect problems that our management's assessment might not. Undetected material weaknesses in our internal control over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation.

After remediation of a material weakness identified during the fiscal quarter ended March 31, 2024, we have determined that our internal control over financial reporting was effective as of June 30, 2024. However, we cannot provide assurance that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If we are unable to conclude that our internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remediate any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

Operations outside the United States may be affected by different local politics, business and cultural factors, different regulatory requirements and prohibitions between jurisdictions.

We intend to seek regulatory approval in foreign countries for all of our potential products prior to commercialization. Pharmaceutical therapies are subject to rigorous preclinical testing and clinical trials and other pre-market approval requirements by Regulatory Authorities in foreign countries. Operations outside the United States may be affected by different local business and cultural factors, different regulatory requirements and prohibitions between jurisdictions, including the Foreign Corrupt Practices Act and local laws prohibiting corrupt payments, and changes in regulatory requirements for financing activities.

Our collection, use, processing, and cross-border transfer of personal information, including individually identifiable health information, is governed by restrictive regulations.

Our business is broadly regulated by U.S. and foreign regulatory authorities, and we must comply with all applicable rules and regulations concerning our use, processing, handling, maintenance, and protection of personal information. In the U.S., the Health Insurance Portability and Accountability Act ("HIPAA") imposes requirements at the federal level relating to the privacy, security and transmission of individually identifiable health information, while individual states, such as California, have adopted privacy regulations restricting the use of personal information and providing individuals certain rights with respect to the collection and use of their data. Further, the collection and use of personal information in Europe is governed by the EU's General Data Protection Regulation and the United Kingdom's implementation of the same, or the GDPR. Failure to comply with the requirements of the GDPR and other applicable data protection laws of the EU member states and the United Kingdom, or other applicable privacy rules and regulations in other countries, may result in significant fines and other administrative penalties. We may be required to put in place additional mechanisms to comply with current and future privacy and data protection regulations applicable to our business. This may interrupt or delay our development activities and/or require us to change our business practices, which could adversely affect our business, financial condition, results of operations and prospects.

We could recognize losses on securities held in our marketable debt securities portfolio, particularly if interest rates increase or economic and market conditions deteriorate.

As of June 30, 2024, the fair value of the investments in our marketable debt securities portfolio was approximately $56.7 million. Factors beyond our control can significantly influence the fair value of securities in our portfolio and can cause potential adverse changes to the fair value of these securities. For example, fixed-rate securities acquired by us are generally subject to decreases in market value when interest rates rise. Additional factors include, but are not limited to, rating agency downgrades of the securities or our own analysis of the value of the security, defaults by the issuer with respect to the underlying securities, and continued instability in the credit markets. Any of the foregoing factors could result in credit-related loss and result in realized losses. The process for determining whether allowances are needed for credit-related losses usually requires difficult, subjective judgments about the future financial performance of the issuer and any collateral underlying the security in order to assess the probability of receiving all contractual principal and interest payments on the security.

As of June 30, 2024, we had $79,000 in net unrealized losses in our marketable debt securities. Unrealized losses in our marketable debt securities portfolio may increase in the future due to the aforementioned economic factors. While our goal

is to hold each security until maturity, that may not be possible in light of our policy to preserve capital and liquidity and because investment in securities with unrealized losses has a diminished utility as a source of liquidity prior to maturity. Selling securities with an unrealized loss would result in the realization of such losses, which could have an adverse effect on our financial condition and results of operations.

Unfavorable global and regional economic, political and health conditions could adversely affect our business, financial condition or results of operations.

Our business could be adversely affected by global or regional economic, political and health conditions. Various macroeconomic factors could adversely affect our business, financial condition and results of operations, including changes in inflation, interest rates and overall economic conditions and uncertainties, including those resulting from political instability, trade disputes between nations and the current and future conditions in the global financial markets. For example, beginning in fiscal year ended June 30, 2023, much of the world, including the U.S. and the E.U., began to experience inflation levels not seen in more than 30 years. As a result, prices for many of our inputs have risen, in some cases dramatically. If inflation stays at elevated levels or increases, we may not be able to mitigate the impact of the increased costs we will bear, which could have an impact on our results of operations and financial condition. A global financial crisis or global or regional political and economic instability, wars, terrorism, civil unrest, outbreaks of disease (for example, COVID-19), and other unexpected events, such as supply chain constraints or disruptions, could cause extreme volatility in the capital and credit markets and disrupt our business. Business disruptions could include, among others, disruptions to our commercial activities, including due to supply chain or distribution constraints or challenges, clinical enrollment, clinical site availability, patient accessibility, and conduct of our clinical trials, as well as temporary closures of the facilities of suppliers or contract manufacturers in the biotechnology supply chain. In addition, during certain crises and events, patients may prioritize other items over certain or all of their treatments and/or medications, which could have a negative impact on our commercial sales. A severe or prolonged economic downturn, political disruption or adverse health conditions could result in a variety of risks to our business, including our ability to raise capital when needed on acceptable terms, if at all. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the political or economic climate and financial market conditions could adversely impact our business.

Certain Provisions of Nevada law may have anti-takeover effects.

Certain provisions of Nevada law applicable to us could also delay or make more difficult a merger, tender offer or proxy contest involving us, including Sections 78.411 through 78.444 of the Nevada Revised Statutes, which prohibit a Nevada corporation from engaging in any business combination with any "interested shareholder" (as defined in the statute) for a period of two years unless certain conditions are met. In addition, our senior management is entitled to certain payments upon a change in control.

Risks Related to Our Intellectual Property

Our current patent positions and license portfolio may not include all patent rights needed for the full development and commercialization of our product candidates. We cannot be sure that patent rights we may need in the future will be available to license on commercially reasonable terms, or at all.

We typically develop our product candidates using compounds that we have acquired or in-licensed, including the original composition of matter patents and patents that claim the activities and methods for such compounds' production and use. For example, in 2017 we in-licensed (i) a fully human monoclonal antibody from XOMA Corporation ("XOMA") as well as (ii) a plasma kallikrein inhibitor portfolio from ActiveSite Pharmaceuticals ("ActiveSite") and in consideration for such licenses, we will owe milestone payments and royalties as we progress product candidates through development.

As we learn more about the mechanisms of action and new methods of manufacture and use of these product candidates, we may file additional patent applications for these new inventions, or we may need to ask our licensors to file them. We may also need to license additional patent rights or other rights on compounds, treatment methods or manufacturing processes because we learn that we need such rights during the continuing development of our product candidates.

Although our patents may prevent others from making, using or selling similar products, they do not ensure that we will not infringe the patent rights of third parties. We may not be aware of all patents or patent applications that may impact our ability to make, use or sell any of our product candidates or proposed product candidates. For example, because we sometimes identify the mechanism of action or molecular target of a given product candidate after identifying its composition of matter and therapeutic use, we may not be aware until the mechanism or target is further elucidated that a third-party has an issued or pending patent claiming biological activities or targets that may cover our product candidate. U.S. patent applications filed after November 29, 2000 are confidential in the U.S. Patent and Trademark Office for the first 18 months after such applications' earliest priority date, and patent offices in other countries often publish patent applications for the first time six months or more after filing. Furthermore, we may not be aware of published or granted conflicting patent rights. Any conflicts resulting from patent applications and patents of others could significantly reduce the coverage of our patents and limit our ability to obtain meaningful patent protection. If others obtain patents with conflicting claims, we may need to obtain licenses to these patents or to develop or obtain alternative technology.

We may not be able to obtain any licenses or other rights to patents, technology or know-how from third parties necessary to conduct our business as described in this Annual Report and such licenses, if available at all, may not be available on commercially reasonable terms. Any failure to obtain such licenses could delay or prevent us from developing or commercializing our drug candidates or proposed product candidates, which would harm our business. Litigation, patent office administrative proceedings or patent interference proceedings may be necessarily brought against us or third parties, as discussed below, to enforce any of our patents or other proprietary rights or to determine the scope and validity or enforceability of the proprietary rights of such third parties.

In addition, we may face claims by third parties that our agreements with employees, contractors, or consultants obligating them to assign intellectual property to us are ineffective, or in conflict with prior or competing contractual obligations of assignment, which could result in ownership disputes. In some instances, there may not be adequate written provisions to address clearly the resolution of intellectual property rights that may arise under our agreements, and we may be limited in our ability to use, make or sell these inventions. Litigation may be necessary to resolve these disputes, and if we are not successful, we may be precluded from using certain intellectual property, or may lose our exclusive rights in that intellectual property. Either outcome could have an adverse impact on our business.

If our or our licensors' patent positions do not adequately protect our product candidates or any future products, others could compete with us more directly, which would harm our business.

Our commercial success will depend in part on our and our licensors' ability to obtain additional patents and protect our existing patent positions, particularly those patents for which we have secured exclusive rights, as well as our ability to maintain adequate protection of other intellectual property for our technologies, product candidates and any future products in the U.S. and other countries. If we or our licensors do not adequately protect our intellectual property, competitors may be able to use our technologies and erode or negate any competitive advantage we may have, which could materially harm our business, negatively affect our position in the marketplace, limit our ability to commercialize our product candidates and delay or render impossible our achievement of profitability. The laws of some foreign countries do not protect our proprietary rights to the same extent as the laws of the U.S., and we may encounter significant problems in protecting our proprietary rights in these countries.

The patent positions of biotechnology and pharmaceutical companies, including our own patent position, involve complex legal and factual questions, and, therefore, validity and enforceability cannot be predicted with certainty. Patents may be challenged, deemed unenforceable, invalidated or circumvented. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and patent scope can be reinterpreted by the courts after issuance. Moreover, many jurisdictions permit third parties to challenge issued patents in administrative proceedings, which may result in further narrowing or even cancellation of patent claims. We cannot predict whether the patent applications we are currently pursuing will be issued as patents in any particular jurisdiction or whether the claims of any patents, if issued, will provide sufficient protection from competitors. We and our licensors will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies, product candidates and any future products are covered by valid and enforceable patents or are effectively maintained as trade secrets.

The degree of future protection for our proprietary rights is uncertain, and we cannot ensure that:

- we or our licensors were the first to make the inventions covered by each of our pending patent applications;
- we or our licensors were the first to file patent applications for these inventions;
- others will not independently develop similar or alternative technologies or duplicate any of our technologies;
- any of our or our licensors' pending patent applications will result in issued patents;
- any of our or our licensors' patents will be valid or enforceable;
- any patents issued to us, or our licensors and collaborators will provide a basis for commercially viable products, will provide us with any competitive advantages or will not be challenged by third parties;
- we will develop additional proprietary technologies or product candidates that are patentable; or
- the patents of others will not have an adverse effect on our business.

We may be unable to adequately prevent disclosure of trade secrets and other proprietary information.

We rely on trade secrets to protect our proprietary know-how and technological advances, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to protect our trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights. Failure to obtain or maintain trade secret protection could enable competitors to use our proprietary information to develop products that compete with our products or cause additional, material adverse effects upon our competitive business position.

Litigation regarding patents, patent applications and other proprietary rights may be expensive and time consuming. If we are involved in such litigation, it could cause delays in bringing product candidates to market and harm our ability to operate.

Our commercial success will depend in part on our ability to manufacture, use, sell and offer to sell our product candidates and proposed product candidates without infringing patents or other proprietary rights of third parties. Although we are not currently aware of any litigation or other proceedings or third-party claims of intellectual property infringement related to our product candidates, the pharmaceutical industry is characterized by extensive litigation regarding patents and other intellectual property rights. Other parties may obtain patents in the future and allege that the use of our technologies infringes these patent claims or that we are employing their proprietary technology without authorization. Likewise, third parties may challenge or infringe upon our or our licensors' existing or future patents. Proceedings involving our patents or patent applications or those of others could result in adverse decisions regarding the patentability of our inventions relating to our product candidates or the enforceability, validity or scope of protection offered by our patents relating to our product candidates.

Even if we are successful in these proceedings, we may incur substantial costs and divert management's time and attention in pursuing these proceedings. If we are unable to avoid infringing the patent rights of others, we may be required to seek a license, defend an infringement action or challenge the validity of the patents in court. Patent litigation is costly and time-consuming. We may not have sufficient resources to bring these actions to a successful conclusion. In addition, if we do not obtain a license, develop or obtain non-infringing technology, fail to defend an infringement action successfully or have our patents declared invalid, we may incur substantial monetary damages; encounter significant delays in bringing our product candidates to market; or be precluded from participating in the manufacture, use or sale of our product candidates or methods of treatment requiring licenses.

If our patent and other intellectual property protection is inadequate, future sales and profits may never materialize or competitors could force our products completely out of the market.

Patents which prevent the manufacture or sale of our products may be issued to others. We may have to license those patents and pay significant fees or royalties to the owners of the patents in order to keep marketing our products. This would cause profits from any sales to suffer.

We have been granted patents or licensed patents in the United States, but patent applications that have been, or may in the future be, filed by us may not result in the issuance of additional patents. The scope of any patent issued may not be sufficient to protect our technology. The laws of foreign jurisdictions in which we intend to sell our products may not protect our rights to the same extent as the laws of the United States.

In addition to patent protection, we also rely on trade secrets, proprietary know-how and technological advances. We enter into confidentiality agreements with our employees and others, but these agreements may not be effective in protecting our proprietary information. Others may independently develop substantially equivalent proprietary information or obtain access to our know-how. Litigation, which is expensive, may be necessary to enforce or defend our patents or proprietary rights and may not end favorably for us. We may also choose to initiate litigation against other parties who we come to believe are infringing these patents. If such litigation is unsuccessful or if the patents are invalidated or canceled, we may have to write off the related intangible assets and such an event could significantly reduce our earnings. Any of our licenses, patents or other intellectual property may be challenged, invalidated, canceled, infringed or circumvented and may not provide any competitive advantage to us.

Risks Related to Our Common Stock

Exercise or conversion of warrants, stock options and other convertible securities will dilute shareholder's percentage of ownership.

In addition to pre-funded warrants ("PFWs"), we have issued stock options and other warrants to purchase shares of our common stock. In the future, we may grant additional stock options, warrants and convertible securities. The exercise, conversion or exchange of stock options, warrants and convertible securities will dilute the percentage ownership of our shareholders. The dilutive effect of the exercise or conversion of these securities may adversely affect our ability to obtain additional capital. The holders of these securities may be expected to exercise or convert such stock options, warrants and convertible securities at a time when we would be able to obtain additional equity capital on terms more favorable than such securities or when our common stock is trading at a price higher than the exercise or conversion price of the securities.

Our stock price may be volatile.

The market price of our common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control, including (i) limited trading activity on our common stock, (ii) positive or negative results achieved in our clinical activities, including regulatory determinations, (iii) our ability to obtain financing, (iv) additions or departures of key personnel, (v) the specific terms associated with new debt or equity financings, (vi) our ability to execute our business plan, (vii) loss of any strategic relationship, and (viii) economic and other external factors.

In addition, the securities markets have from time-to-time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

Offers or availability for sale of a substantial number of shares of our common stock may cause the price of our common stock to decline.

If our shareholders sell substantial amounts of our common stock in the public market upon the expiration of any statutory holding period or lockup agreements, under Rule 144, or issued upon the exercise of outstanding PFWs, stock options, warrants or other convertible securities, it could create a circumstance commonly referred to as an "overhang" and in

anticipation of which the market price of our common stock could fall. The existence of an overhang, whether or not sales have occurred or are occurring, also could make more difficult our ability to raise additional financing through the sale of equity or equity-related securities in the future at a time and price that we deem reasonable or appropriate. The shares of our restricted common stock will be freely tradable upon the earlier of: (i) effectiveness of a registration statement covering such shares and (ii) the date on which such shares may be sold without registration pursuant to Rule 144 (or other applicable exemption) under the Securities Act of 1933, as amended ("Securities Act").

Investor relations activities and supply and demand factors may affect the price of our common stock.

We expect to utilize various techniques such as non-deal road shows and investor relations campaigns in order to generate investor awareness. These campaigns may include personal, video and telephone conferences with investors and prospective investors in which our business practices are described. We may provide compensation to investor relations firms and pay for newsletters, websites, mailings and email campaigns that are produced by third parties based upon publicly-available information concerning us. We do not intend to review or approve the content of such analysts' reports or other materials based upon analysts' own research or methods. Investor relations firms should generally disclose when they are compensated for their efforts, but whether such disclosure is made or complete is not under our control. In addition, investors may, from time to time, also take steps to encourage investor awareness through similar activities that may be undertaken at the expense of the investors. Investor awareness activities may also be suspended or discontinued, which may impact the trading market of our common stock.

We have no current plan to pay dividends on our common stock and investors may lose the entire amount of their investment.

We have never paid cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock for the foreseeable future. Accordingly, any income derived from our common stock would only come from a rise in the market price of our common stock, which is uncertain and unpredictable. We cannot assure investors of a positive return on their investment.

Changes in U.S. tax law could adversely affect our business.

Changes to tax laws (which changes may have retroactive application) could adversely affect us or the holders of our common stock. For example, for the fiscal year ended June 30, 2023, we became subject to Internal Revenue Code Section 174 that requires capitalization of the vast majority of research and development costs whereas under prior tax law substantially all of these costs were deductible in the year incurred. Section 174 provides that such newly-capitalized costs may be amortized and become deductible over a period of 5 years for U.S. based costs and 15 years for foreign- based costs.

It cannot be predicted whether, when, in what form, or with what effective dates, new tax laws or regulations may be enacted under existing or new tax laws. This could result in an increase in our tax liability or require changes in our business in order to mitigate any adverse effects of changes in tax laws.

Item 1B. Unresolved Staff Comments.

Not required for smaller reporting companies.

Item 1C. Cybersecurity.

We have established processes for assessing, identifying and managing cybersecurity risks, which are built into our information technology function and are designed to safeguard our information assets and operations from internal and external cyber threats, including protecting employee and patient information from unauthorized access to or attacks on our networks and systems. These processes include physical, procedural and technical safeguards, response plans, regular tests on our systems, incident simulations and routine reviews of our policies and procedures to identify risks and enhance our practices. We also employ processes to identify material risks from cybersecurity threats associated with our use of third-party service providers.

We have engaged external parties, including risk management consultants and computer security firms, to enhance our cybersecurity oversight. In an effort to deter and detect cyber threats, we periodically provide training programs to our employees on issues related to privacy and data protection, cybersecurity risks, and the importance of reporting all incidents immediately. Topics include identifying phishing, password protection, securing confidential data, and mobile security. In addition, we use technology-based tools to mitigate cybersecurity risks and to bolster our employee-based cybersecurity programs. We also perform annual vulnerability assessments, conducted by independent, third-party cybersecurity firms.

Additionally, as part of our overall risk mitigation strategy, the Company obtains certain insurance policies. However, such insurance may not be sufficient in type or amount to cover us fully against claims related to security breaches, cyber-attacks and other related breaches.

The Audit Committee of our Board of Directors provides direct cybersecurity risk oversight. Our management provides timely disclosure and related updates to the Audit Committee regarding potential cybersecurity threats, incidents and general risks.

Our management periodically evaluates information provided by its consultants on evolving cybersecurity risks and, based on its assessment of the processes the Company has put in place, does not believe there are currently any known risks from cybersecurity threats that are reasonably likely to materially affect us or our business strategy, results of operations, or financial condition. Further, we have not had any cybersecurity incidents in 2024.

Item 2. Properties.

In April 2022, we entered into a lease for a new headquarters location at 275 Shoreline Drive, Suite 500, Redwood City California 94065. The leased space contains approximately 9,300 square feet of office space. The lease commenced in October 2022 and provides for average remaining monthly rent of approximately $53,000 through October 2027.

In November 2020, we entered into a lease in Bend, Oregon where the leased space consists of approximately 5,000 square feet of office space and provides for monthly rent of approximately $8,400 through the expiration date in February 2024. In October 2023, we entered into a lease extension for this space, which provides for monthly rent of approximately $9,000 through February 2027.

We believe our current physical properties are sufficient and adequate to meet our current and projected requirements.

Item 3. Legal Proceedings.

For a discussion of the Company's legal proceedings, see "*Notes to Consolidated Financial Statements - Commitments and Contingencies*" in Part II. Item 8 on this Annual Report on Form 10-K, which is incorporated herein by reference.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Since November 9, 2020, our common stock has traded on Nasdaq under the symbol "RZLT".

Holders

As of September 13, 2024, there were 261 holders of record of our common stock. We believe the number of beneficial owners of our common stock is substantially greater than the number of record holders because a large portion of our outstanding common stock is held of record in broker "street names" for the benefit of individual investors.

Dividends

We have never paid cash dividends and intend to employ all available funds in the development of our business. We have no plans to pay cash dividends in the foreseeable future.

Recent Sales of Unregistered Securities

None.

Securities Authorized for Issuance Under Equity Compensation Plans

Presented below is information about our equity compensation plans as of June 30, 2024 (shares in thousands):

	Plan Termination Date	Shares to be Issued Upon Exercise of Outstanding Options: Number of Shares	Weighted Average Exercise Price	Securities Available For Future Issuance
Equity compensation plans approved by security holders:				
2015 Non-Qualified Stock Option Plan	February 23, 2020	17	$ 19.86	—
2016 Non-Qualified Stock Option Plan	October 31, 2021	123	16.93	—
2021 Equity Incentive Plan	March 31, 2031	10,276	3.51	342
2022 Employee Stock Purchase Plan	Indefinite	—	—	500
Equity compensation plans not approved by security holders:				
2019 Non-Qualified Stock Option Plan	July 31, 2029	200	14.50	—
Inducement Stock Option	January 23, 2029	275	1.02	—
Total		10,891	3.82	842

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under the Cautionary Statement Regarding Forward-Looking Statements on page ii, the "Risk Factors" set forth in Item 1A, and elsewhere in this Annual Report. We assume no obligation to update forward-looking statements or the risk factors. You should read the following discussion in conjunction with our consolidated financial statements and related notes included in Item 8 of this Annual Report.

Certain figures, such as interest rates and other percentages included in this section have been rounded for ease of presentation. Percentage figures included in this section have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this section may vary slightly from those obtained by performing the same calculations using the figures in our consolidated financial statements or in the associated text. Certain other amounts that appear in this section may similarly not sum due to rounding.

Executive Summary

Our priorities going into the second half of 2024 and first half of 2025 are to (i) complete enrollment of ex-U.S. participants in the sunRIZE study, (ii) initiate study start-up activities in the U.S. to enable U.S. participant enrollment in the sunRIZE study, and (iii) continue study start-up activities and begin enrollment for the Phase 3 registrational tumor HI clinical study.

Clinical Development

Our focus as a Company is advancing ersodetug in two Phase 3 clinical studies for congenital HI and tumor HI. To that end, we are actively enrolling the pivotal Phase 3 sunRIZE clinical study of ersodetug, which is a randomized, double-blind, placebo-controlled, parallel arm evaluation of ersodetug in participants with congenital HI who are not adequately responding to standard of care medical therapies. To date, in this study we have been screening and enrolling participants outside the U.S. because the U.S. FDA had imposed an age restriction of 12 years of age and older on ersodetug clinical studies as well as dose level restrictions based on historical rat toxicology findings. On September 4, 2024, FDA lifted those restrictions and authorized U.S. inclusion in the ongoing sunRIZE study. Currently, the Company is conducting study start-up activities at sites in the U.S. in anticipation of enrolling U.S. participants in the sunRIZE study in the first part of 2025. Topline results from the study are anticipated to be available in the second half of calendar 2025.

Additionally, we have begun study start-up activities for our Phase 3 registrational tumor HI clinical study which we anticipate to begin enrolling patients in the first half of calendar 2025.

RZ402

In May of 2024 we announced topline results from the Phase 2 proof-of-concept study of RZ402 in patients with DME, which met primary study endpoints, demonstrating a significant reduction in central subfield thickness in the Study Eye at all RZ402 dose levels compared to placebo (up to approximately a 50 micron improvement) and was safe and well-tolerated. The program is available for partnering and we are actively engaged in conversations with potential partners to take RZ402 into further development.

Recent Developments

Exchange Agreement. On March 8, 2024, we entered into a securities exchange agreement (the "Exchange Agreement") with certain of our stockholders (the "Exchanging Shareholders"), whereby we purchased 3,000,000 shares of common stock representing approximately 7% of our outstanding shares with an aggregate fair value of $5,700,000 (the "Retired Shares") from the Exchanging Shareholders. The Retired Shares were immediately cancelled whereby they will remain as authorized shares for future issuance in accordance with Nevada law. Consideration for the acquisition of the Retired Shares consisted of (i) a cash payment to the Exchanging Shareholders of $3,000, and (ii) the issuance of pre-funded warrants (the "Exchange PFWs") to the Exchanging Shareholders with an estimated fair value of $5,697,000. The Exchange PFWs do not expire and were exercisable as of June 30, 2024 to purchase an aggregate of 3,000,000 shares of our outstanding common stock at an exercise price of $0.001 per share.

The Exchange PFWs required approval by our shareholders if the exercise of the Exchange PFWs resulted in aggregate beneficial ownership by the holders in excess of 19.99%. Even though the Exchange PFWs only entitled the holders to purchase 7% of our outstanding shares of common stock, the requirement to obtain shareholder approval for ownership in excess of 19.99% resulted in the treatment of the exchange PFWs as a warrant derivative liability of $5.7 million as of the issuance date. The fair value of this warrant derivative liability increased by approximately $2.9 million, for a total of $8.5 million as of May 13, 2024 when the Exchange PFWs were amended to permit equity classification. Accordingly, the derivative liability of $8.5 million was reclassified to shareholders' equity on May 13, 2024.

2024 Underwritten Offering. On June 13, 2024, we entered into an underwriting agreement for the planned issuance and sale of equity securities in an underwritten public offering (the "2024 Underwritten Offering"). The 2024 Underwritten Offering provided for the issuance of (i) 11,250,000 shares of common stock at a price of $4.00 per share for gross proceeds of $45.0 million, and (ii) pre-funded warrants to purchase 3,750,000 shares of common stock at a public offering price of $3.999 per pre-funded warrant (the "2024 PFWs") for gross proceeds of $15.0 million. The Company granted the

underwriters a 30-day option to purchase up to an additional 2,250,000 shares of its common stock at a public offering price of $4.00 per share, less underwriting discounts of 6.0% of the gross proceeds. The underwriters' option was partially exercised for 1,786,589 shares of common stock for gross proceeds of $7.1 million. Closing occurred on June 24, 2024, whereby the aggregate gross proceeds amounted to $67.1 million. The net proceeds of the 2024 Underwritten Offering amounted to approximately $62.6 million. In July 2024, we utilized approximately $59.7 million of the net proceeds from the 2024 Underwritten Offering to purchase investments in marketable debt securities with maturities that range from October 2024 through December 2025.

2024 Private Placement. In June 2024, we entered into a securities purchase agreement (the "2024 SPA") with Handok, Inc. and one other investor relating to a private placement (the "2024 Private Placement"), pursuant to which we agreed to sell 1,500,000 shares of common stock at a purchase price of $4.00 per share. Closing of the 2024 Private Placement occurred in July 2024, whereby we received net proceeds of $6.0 million after deduction of underwriting discounts and other offering costs.

Factors Impacting our Results of Operations

We have not generated any meaningful revenues since our inception in March 2010. Over the last several years, we have conducted private placements and public offerings to raise additional capital, conducted pre-clinical and clinical trials, and conducted other research and development activities on our pipeline of product candidates.

Due to the time required to conduct clinical trials and obtain regulatory approval for our product candidates, we anticipate it will be some time before we generate substantial revenues, if ever. We expect to generate operating losses for the foreseeable future; therefore, we expect to continue efforts to raise additional capital to maintain our current operating plans over the next several years. We cannot assure you that we will secure such financing or that it will be adequate for the long-term execution of our business strategy. Even if we obtain additional financing, it may be costly and may require us to agree to covenants or other provisions that will favor new investors over our existing shareholders.

Key Components of Consolidated Statements of Operations

Research and development expenses. Research and development ("R&D") expenses consist primarily of clinical trial costs, compensation and benefits for our personnel engaged in R&D activities, licensing costs, and consultants and outside services. Our R&D costs include an allocable portion of our cash and share-based compensation, employee benefits, and consulting costs related to personnel engaged in the design and development of product candidates and other scientific research projects. We also allocate a portion of our facilities and overhead costs based on the personnel and other resources devoted to R&D activities.

General and administrative expenses. General and administrative ("G&A") expenses consist primarily of (i) an allocable portion of our cash and share-based compensation and employee benefits related to personnel engaged in our administrative, finance, accounting, and executive functions, and (ii) an allocable portion of our facilities and overhead costs based on the personnel and other resources devoted to G&A activities. G&A expenses also include travel, legal, auditing, investor relations and other costs primarily related to our operations as a public company.

Interest and other income. Interest and other income consist primarily of interest income earned on marketable debt securities and temporary cash investments, amortization of investment premiums and accretion of investment discounts.

Loss from change in fair value of derivative liabilities. We recognize liabilities for financial instruments that are required to be accounted for as derivatives, as well as embedded derivatives in our debt agreements. Warrant and embedded derivative liabilities are adjusted to fair value at the end of each reporting period until the contracts are settled, expire, or otherwise meet the conditions for equity classification. We also recognize liabilities for embedded derivatives that arose in connection with our legacy debt agreement. Changes in fair value are reflected as gains and losses in our consolidated statements of operations.

Critical Accounting Policies and Significant Judgments and Estimates

Overview

Our management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of the consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported revenue and expenses during the reporting periods. These items are monitored and analyzed for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ from these estimates under different assumptions or conditions.

With respect to our significant accounting policies that are described in Note 1 to our consolidated financial statements included in Item 8 of this Annual Report, we believe that the following accounting policies involve a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our consolidated financial condition and results of operations.

Investments in Marketable Debt Securities

We account for investments in marketable debt securities as available-for-sale securities whereby they are recorded in our consolidated balance sheets at fair value. Interest income consists of accrued interest earned based on the coupon rate of the security, plus the impact of accreting discounts and amortizing premiums to maturity using the straight-line method which approximates the interest method. Unrealized gains and losses due to subsequent changes in fair value of the investments are reported in shareholders' equity as a component of accumulated other comprehensive income (loss). The individual debt securities in our portfolio are subject to credit risk in the event of default by the issuers. We review the components of our portfolio of available-for-sale debt securities, using both quantitative and qualitative factors, to determine if declines in fair value below amortized cost have resulted from a credit-related loss or other factors. To the extent that declines in fair value are due to a deterioration of credit quality of the issuer, we will recognize an allowance for credit losses related to such investments with a corresponding loss in the consolidated statements of operations. Allowances for credit losses may be reversed in subsequent periods if conditions improve and credit-related losses are no longer expected. For a decline in fair value that is solely due to changes in interest rates, impairment is not recognized if we have the ability and intent to hold the investment until maturity. The cost basis of any securities sold prior to maturity will be determined using the specific identification method.

Research and Development

Research and development costs are expensed as incurred. Intangible assets related to in-licensing costs under license agreements with third parties are charged to expense unless we are able to determine that the licensing rights have an alternative future use in other research and development projects or otherwise.

Clinical Trial Accruals

Clinical trial costs are a component of research and development expenses. We accrue and charge to expenses clinical trial activities performed by third parties based upon estimates of the percentage of work completed over the life of the individual study in accordance with agreements established with clinical research organizations and clinical trial sites. We determine our estimates through discussions with internal clinical personnel and external service providers as to the progress or stage of completion of trials or services and the agreed-upon fee to be paid for such services.

Share-Based Compensation Expense

We measure the fair value of services received in exchange for grants of stock options based on the fair value of the award as of the grant date. We compute the fair value of stock options with time-based vesting using the Black-Scholes Merton ("BSM") option-pricing model and recognize the cost of the equity awards over the period that services are provided to earn the award. For awards that contain a graded vesting schedule, and the only condition for vesting is a service condition, compensation cost is recognized on a straight-line basis over the requisite service period as if the award was, in substance, a single award. We recognize the impact of forfeitures in the period that the forfeiture occurs, rather than estimating the number of awards that are not expected to vest in accounting for share-based compensation. For stock options that are voluntarily surrendered by employees, all unrecognized compensation is immediately recognized in the period the options are cancelled.

Loss from Change in Fair Value of Derivative Liabilities

We recognize warrant derivative liabilities based on assessment of the warrant's specific terms and applicable authoritative guidance set forth by FASB in Accounting Standards Codification ("ASC") 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments and meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of the end of each subsequent quarterly period while the warrants are outstanding. Liability classified warrants are valued using the BSM option-pricing model at issuance and for each reporting period when applicable. Changes in fair value are reflected as gains and losses in our consolidated statements of operations. We also recognize liabilities for embedded derivatives that arose in connection with a legacy debt agreement.

Results of Operations

Results of operations for the fiscal years ended June 30, 2024 and 2023 reflect net losses of approximately $68.5 million and $51.8 million, respectively. Our consolidated statements of operations for the fiscal years ended June 30, 2024 and 2023, along with the changes between fiscal years, are presented below (in thousands, except percentages):

			Changes	
	2024	2023	Amount	Percent
Operating expenses:				
Research and development:	$ 55,743	$ 43,813	$ 11,930	27 %
General and administrative:	14,680	12,177	2,503	21 %
Total operating expenses	70,423	55,990	14,433	26 %
Operating loss	(70,423)	(55,990)	(14,433)	26 %
Non-operating income (expense):				
Interest and other income	4,870	4,208	662	16 %
Loss from change in fair value of warrant derivative liability	(2,850)	—	(2,850)	100 %
Loss from change in fair value of embedded derivative liability	(56)	(5)	(51)	1,020 %
Total non-operating income, net	1,964	4,203	(2,239)	(53)%
Net loss	$ (68,459)	$ (51,787)	$ (16,672)	32 %

Presented below is a discussion of the key factors that resulted in changes in our results of operations for these periods.

Revenue. As a clinical stage company, we did not generate any revenue for the fiscal years ended June 30, 2024 and 2023. We are at an early stage of development and do not currently have any commercial products. Our existing product

candidates will require extensive additional clinical evaluation, regulatory review, significant marketing efforts and substantial investment before they generate any revenues. We do not expect to be able to market any of our product candidates for several years.

Research and Development Expenses. R&D expenses for the fiscal years ended June 30, 2024 and 2023 were as follows (in thousands, except percentages):

	2024	2023	Increase Amount	Increase Percent
Total R&D expenses	$ 55,743	$ 43,813	$ 11,930	27 %

The increase of $11.9 million was primarily attributable to a net increase of $8.7 million in costs incurred for our two clinical candidate programs, of which the ersodetug program had an increase in spending of $10.9 million and the RZ402 program had a decrease in spending of $2.2 million.

The increase in ersodetug program costs of $10.9 million primarily was driven by (i) an increase of $3.9 million for higher spending on drug substance and drug product manufacturing and other development activities as we began manufacturing activities for process performance qualification activities, (ii) $5.0 million in milestone payments under our license agreement with XOMA due to the dosing of the first patient in a Phase 3 clinical study, (iii) a $1.3 million increase in other ersodetug costs incurred for toxicology studies to support the efforts to lift the FDA clinical hold and (iv) a $0.7 million increase in clinical trial costs due to the ongoing enrollment of patients in the Phase 3 clinical study. We did not incur any ersodetug milestone related costs during the fiscal year ended June 30, 2023.

The RZ402 program cost decrease of $2.2 million was primarily attributable to a $3.0 million decrease in milestone payments due under our license agreement with ActiveSite. In February 2023, we dosed the first patient in the RZ402 Phase 2 study, triggering a milestone payment due for $3.0 million to ActiveSite. There were no RZ402 related milestone costs incurred during the fiscal year ended June 30, 2024. A further decrease in manufacturing preclinical, toxicology and other related costs of $1.2 million resulted in a total decrease of $4.2 million in RZ402 costs. This $4.2 million decrease in RZ402 costs was partially offset by a $2.0 million increase in clinical operation costs related to the ongoing Phase 2 study, for which the final patients completed the protocol in April 2024.

In addition to the net increase of $8.7 million in our clinical candidate programs, we had an increase of $2.6 million in R&D compensation and benefits for our R&D workforce. Cash-based R&D compensation and benefits increased by $2.4 million from $11.7 million for the fiscal year ended June 30, 2023 to $14.1 million for the fiscal year ended June 30, 2024. This increase was primarily attributable to an increase in the average number of R&D employees from 36 to 42 and an increase in annual performance bonuses. R&D share-based compensation increased by $0.2 million from $3.2 million for the fiscal year ended June 30, 2023 to $3.4 million for the fiscal year ended June 30, 2024. This increase in share-based compensation was primarily attributable to stock options granted to R&D employees hired during the fiscal year ended June 30, 2024.

In addition to the increases in R&D compensation and benefits and our clinical programs noted above for the fiscal year ended June 30, 2024, an increase of approximately $0.6 million was incurred related to higher facilities costs and employee related travel costs allocable to R&D due to the increased headcount as noted above.

General and Administrative Expenses. G&A expenses for the fiscal years ended June 30, 2024 and 2023 were as follows (in thousands, except percentages):

	2024	2023	Increase Amount	Increase Percent
Total G&A expenses	$ 14,680	$ 12,177	$ 2,503	21 %

The increase in G&A expenses of $2.5 million for the fiscal year ended June 30, 2024 was primarily attributable to an increase in G&A compensation and benefits related to our administrative workforce of $1.2 million. Cash-based G&A compensation and benefits increased by $1.2 million from $3.8 million for the fiscal year ended June 30, 2023 to $5.0 million for the fiscal year ended June 30, 2024. This increase was attributable to an increase in the average number of G&A employees from 12 to 15 and an increase in compensation related to annual performance bonuses. Investor relations expenses and other G&A professional fees increased by $1.1 million from $2.4 million for the fiscal year ended June 30, 2023 to $3.5 million for the fiscal year ended June 30, 2024. This increase in investor relations expense and other G&A professional fees resulted from pre-commercial planning activities, post regulatory approval market approval planning and other professional fee increases.

In addition to the increases in G&A compensation and benefits and our other professional expenditures noted above for the fiscal year ended June 30, 2024, an increase of approximately $0.2 million was incurred related to higher facilities costs and employee related travel costs allocable to G&A due to the increased headcount as noted above.

Interest and other income. For the fiscal year ended June 30, 2024, we recognized $4.9 million of interest income compared to $4.2 million of interest income for the fiscal year ended June 30, 2023. This increase of $0.7 million was primarily due to our decision in January 2023 to invest an aggregate of approximately $115.0 million in marketable debt securities and an overnight money market mutual fund that provided for interest at a weighted average effective rate of approximately 5.0% for the fiscal year ended June 30, 2024. Even though we had substantially more funds available for investment during the first half of the fiscal year ended June 30, 2023, our effective interest rate was less than 2.0% compared to approximately 5.0% after we began investing in marketable debt securities in January 2023. This change in strategy occurred midway through the fiscal year ended June 30, 2023 whereby interest income was $1.2 million for the first half of the fiscal year and $3.0 million for the second half of the fiscal year.

Change in Fair Value of Warrant Derivative Liability. For the fiscal year ended June 30, 2024, we recognized a loss of $2.9 million during the period from March 8, 2024 through May 13, 2024 when the Exchange PFWs were classified as liabilities. This loss was due to an increase of $0.95 per share in our stock price, resulting in an increase in the fair value of the derivative liability that was recognized due to shareholder approval provision regarding ownership limitations that prohibited equity classification. This liability existed until May 13, 2024 when the Exchange PFW holders agreed to an amendment that eliminated this provision. Our stock price increased from $1.90 per share on March 8, 2024, to $2.85 per share on May 13, 2024 when the Exchange PFWs were modified. For the fiscal year ended June 30, 2023, the Company did not have any warrant derivative liabilities.

Income Taxes. For the fiscal years ended June 30, 2024 and 2023, we did not recognize any income tax benefit due to our net losses and our determination that a full valuation allowance was required for our deferred income tax assets.

Liquidity and Capital Resources

Short-term Liquidity Requirements

As of June 30, 2024, we had cash and cash equivalents of $70.4 million, investments in marketable debt securities $56.7 million for a total of $127.1 million. Working capital amounted to approximately $119.0 million as of June 30, 2024. We have incurred cumulative net losses of $329.4 million since our inception and as a clinical stage company we have not generated any meaningful revenue to date.

Accordingly, our primary source of liquidity has historically been from the completion of private placements and public offerings of our equity securities, as well as proceeds from the issuance of debt securities. For the fiscal years ended June 30, 2024 and 2023, we received net proceeds from the issuance of equity securities of $62.6 million and $11.6 million, respectively. The completion of equity financings between May 2022 and June 2024 is the primary source of total cash and cash equivalents and investments in marketable debt securities of $127.1 million as of June 30, 2024. In July 2024, we received net proceeds of approximately $6.0 million related to a private placement of 1.5 million shares of common stock. For further information about the key terms and results of our equity financing activities completed in the fourth quarter of fiscal year 2024 and the first quarter of fiscal year 2025, please refer to the discussion above under the caption *Recent Developments*.

Expected cash payments related to our existing contractual obligations for the fiscal year ending June 30, 2025 include approximately (i) $0.7 million under our operating lease agreements, and (ii) a milestone payment to XOMA of $5.0 million that will become due upon dosing of the last patient in our Phase 3 clinical trial for ersodetug. Due to uncertainties in the timing associated with clinical trial activities, it is possible that the milestone payment due upon dosing of the last patient could be delayed beyond June 30, 2025.

Based on our cash, cash equivalents and marketable debt security investments totaling $127.1 million as of June 30, 2024, plus the July 2024 private placement proceeds of $6.0 million, we believe we have adequate capital resources to meet all of our contractual obligations and conduct all planned activities to advance our clinical trials at least through the second quarter of calendar year 2026.

Long-term Liquidity Requirements

Our most significant long-term contractual obligations consist of additional clinical and regulatory milestone payments up to $30.0 million payable to XOMA and additional milestone payments up to $25.0 million payable to ActiveSite. Of this total, we expect that $5.0 million will be payable to XOMA during the fiscal year ending June 30, 2025 as discussed above under the caption *Short-term Liquidity Requirements*. The remaining $50.0 million is considered a long-term liquidity requirement. Due to uncertainties in the timing associated with clinical trial activities and regulatory approvals, there is even greater uncertainty in forecasting the timing of future clinical and regulatory milestone payments to XOMA and ActiveSite that may be required during the fiscal year ending June 30, 2026 and thereafter.

In addition to the clinical and regulatory milestone payments discussed above, upon the future commercialization of ersodetug and RZ402 we will be obligated to pay additional milestone payments and royalties based on the net sales of the related products and alternative indication regulatory approvals to XOMA and ActiveSite for up to an additional $202.5 million. These future milestones include $185.0 million in potential payments to XOMA and $17.5 million to ActiveSite for various sales-based milestones and alternative indication regulatory approvals. No assurance can be provided that commercialization will ever be achieved for either ersodetug or RZ402, whereby none of these future payments may ever be required.

In addition to our licensing obligations, we also have long-term contractual obligations under existing operating lease agreements ranging between approximately $0.2 million to $0.8 million for each of the fiscal years ending June 30, 2026 through 2028. Based on our current forecast, we expect that our existing capital resources will be sufficient to fund our contractual obligations and conduct all planned activities to advance our clinical trials at least through the second quarter of calendar year 2026. Therefore, we will need to obtain additional equity or debt financing in order to fund all of our long-term liquidity requirements.

Presented below is additional discussion about the ongoing requirements pursuant to our license agreements with XOMA and ActiveSite, along with additional information about our ongoing financing activities that impacted our liquidity and capital resources for the fiscal year ended June 30, 2024.

XOMA License Agreement

In December 2017, we entered into a license agreement (“XOMA License Agreement”) with XOMA through its wholly-owned subsidiary, XOMA (U.S.) LLC, pursuant to which XOMA granted an exclusive global license to develop and commercialize XOMA 358 (formerly X358 or RZ358, now ersodetug) for all indications. In January 2019, the XOMA License Agreement was amended with an updated payment schedule, as well as revisions to the amount we were required to expend on development of ersodetug and related licensed products, and revised provisions with respect to our diligence efforts in conducting clinical studies.

Upon the achievement of certain clinical and regulatory events, we will be required to make up to $37.0 million in aggregate milestone payments to XOMA. Milestone payments made to date include a $2.0 million payment in January 2022 for the enrollment of the last patient of the Phase 2 clinical study and $5.0 million paid in May 2024 related to the first patient enrollment in a Phase 3 study. We record a liability for milestone payments in our financial statements on the date that we achieve the milestone event. The next milestone payment of $5.0 million will be due upon the enrollment of the last patient in a Phase 3 study, which we believe will occur in the next twelve months. Additionally, upon the future commercialization of ersodetug, we will be required to pay royalties to XOMA based on the net sales of the related

products, and milestone payments up to an additional $185.0 million if future annual sales related to ersodetug exceed targets ranging from $100.0 million to $1.0 billion. Through June 30, 2024, no events have occurred that would result in the requirement to make additional milestone payments, and no royalties have been incurred.

ActiveSite License Agreement

In August 2017, we entered into a Development and License Agreement with ActiveSite ("ActiveSite License Agreement") pursuant to which we acquired the rights to ActiveSite's PKI portfolio. We are planning to use the PKI Program to develop, file, manufacture, market and sell products for diabetic macular edema and other therapeutic indications. The ActiveSite License Agreement requires various milestone payments ranging from $1.0 million to $10.0 million when milestone events occur, up to an aggregate of $46.5 million of aggregate milestone payments. The first milestone payment for $1.0 million was paid in December 2020 after completion of preclinical work and submission of an IND to the FDA for RZ402. The second milestone payment for $3.0 million became due upon dosing of the first patient in a Phase 2 study in February 2023. Remaining milestone payments under the ActiveSite License Agreement for various clinical and regulatory milestones amount to $25.0 million and milestones after commercial success or alternative indication approvals amount to $17.5 million. We will also be required to pay royalties equal to 2.0% of any sales of products that use the PKI Program. Through June 30, 2024, no events have occurred that would result in the requirement to make additional milestone payments and no royalties have been incurred.

Cash Flows Summary

Presented below is a summary of our operating, investing and financing cash flows for the fiscal years ended June 30, 2024 and 2023 (in thousands):

	2024	2023	Change
Net cash provided by (used in):			
Operating activities	$ (57,368)	$ (44,481)	$ (12,887)
Investing activities	48,699	(101,464)	150,163
Financing activities	63,029	11,571	51,458

Cash Flows Used in Operating Activities

For the fiscal years ended June 30, 2024 and 2023, cash flows used in operating activities amounted to $57.4 million and $44.5 million, respectively. The key components in the calculation of our cash used in operating activities are as follows (in thousands):

	2024	2023	Change
Net loss	$ (68,459)	$ (51,787)	$ (16,672)
Non-cash expenses	10,828	7,655	3,173
Accretion of discounts and amortization of premiums on marketable debt securities, net	(2,837)	(1,370)	(1,467)
Changes in operating assets and liabilities, net	3,100	1,021	2,079
Total	$ (57,368)	$ (44,481)	$ (12,887)

For the fiscal year ended June 30, 2024, our net loss was $68.5 million compared to $51.8 million for the fiscal year ended June 30, 2023. For further discussion about changes in our operating results for the fiscal years ended June 30, 2024 and 2023, please refer to *Results of Operations* above.

For the fiscal year ended June 30, 2024, our non-cash expenses of $10.8 million primarily consisted of share-based compensation expense of $7.4 million, a loss from change in the fair value of the warrant derivative liability of $2.9 million, and non-cash lease expense of $0.5 million. For the fiscal year ended June 30, 2023, our non-cash expenses of $7.7 million primarily consisted of share-based compensation expense of $7.3 million and non-cash lease expense of $0.4 million.

For the fiscal year ended June 30, 2024, non-cash gains consisted of the net impact of accreting discounts and amortizing premiums on investments in marketable debt securities of $2.8 million. For the fiscal year ended June 30, 2023, non-cash gains consisted of the net impact of accreting discounts and amortizing premiums on investments in marketable debt securities of $1.4 million.

For the fiscal year ended June 30, 2024, net changes in operating assets and liabilities increased operating cash flow by $3.1 million, primarily driven by an increase accounts payable and other accrued liabilities of $3.2 million, partially offset by an increase in prepaid expenses and other assets of $0.1 million associated with prepayments for clinical trials and manufacturing activities. For the fiscal year ended June 30, 2023, net changes in operating assets and liabilities increased operating cash flow by $1.0 million, primarily driven by an increase accounts payable and other accrued liabilities of $2.3 million, partially offset by an increase in prepaid expenses and other assets of $1.3 million associated with prepayments for clinical trials and manufacturing activities.

Cash Flows Provided by (Used in) Investing Activities

For the fiscal year ended June 30, 2024, net cash provided by investing activities amounted to $48.7 million, primarily related to the proceeds from maturities of marketable debt securities of $115.1 million, partially offset by cash outflows used in to purchase marketable debt securities of $66.4 million. For the fiscal year ended June 30, 2023, our net cash utilized in investing activities amounted to $101.5 million, primarily related to the purchase of $107.3 million of marketable debt securities, partially offset by cash proceeds of $6.0 million of resulting from maturities of marketable debt securities. Additionally, for the fiscal year ended June 30, 2023, our investing activities used $0.2 million for the purchase of furniture and equipment primarily for use in our new office location in Redwood City, California.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities for the fiscal year ended June 30, 2024 amounted to $63.0 million. This amount consisted of proceeds of $67.1 million from the 2024 Underwritten Offering. The total proceeds from the 2024 Public Underwritten Offering of $67.1 million were partially offset by underwriter discounts of $4.0 million related to this offering and other offering costs of $0.3 million. For the fiscal year ended June 30, 2024, we also received proceeds of $0.2 million from the exercise of employee stock options to purchase approximately 82,000 shares of common stock.

Net cash provided by financing activities for the fiscal year ended June 30, 2023 amounted to $11.6 million. This amount consisted of gross proceeds of $12.3 million received from the 2022 Private Placement. The total proceeds from the 2022 Private Placement of $12.3 million were received in July 2022 and were partially offset by payments of $0.8 million for underwriting commissions and other costs related to this offering.

Off-Balance Sheet Arrangements

During the fiscal years ended June 30, 2024 and 2023, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements.

Recently Issued Accounting Pronouncements

See Note 1 to our consolidated financial statements included in Item 8 of this Annual Report regarding the impact of certain accounting pronouncements on our consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

Item 8. Financial Statements and Supplementary Data.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders
Rezolute, Inc. and subsidiaries

Opinion on the financial statements

We have audited the accompanying consolidated balance sheet of Rezolute, Inc. and subsidiaries (the "Company") as of June 30, 2024, the related consolidated statements of operations and comprehensive loss, shareholders' equity, and cash flows for the year ended June 30, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2024, and the results of its operations and its cash flows for the year ended June 30, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/*s*/ GRANT THORNTON LLP

We have served as the Company's auditor since 2024.
Newport Beach, California
September 19, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Rezolute, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheet of Rezolute, Inc. (the "Company") as of June 30, 2023, the related statement of operations, shareholders' equity, and cash flows for year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of June 30, 2023, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Plante & Moran, PLLC

We served as the Company's auditor from 2013 to 2024.

Cleveland, Ohio
September 14, 2023

REZOLUTE, INC.

Consolidated Balance Sheets
June 30, 2024 and 2023
(In Thousands, Except Per Share Amounts)

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	$ 70,396	$ 16,036
Investments in marketable debt securities	56,478	85,860
Prepaid expenses and other	1,779	3,014
Total current assets	128,653	104,910
Long-term assets:		
Right-of-use assets	1,880	2,054
Deposits and other	1,838	148
Investments in marketable debt securities	263	16,470
Property and equipment, net	103	139
Total assets	$ 132,737	$ 123,721
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 4,901	$ 3,269
Accrued liabilities:		
Accrued clinical and other	2,325	507
Compensation and benefits	1,812	883
Current portion of operating lease liabilities	568	541
Total current liabilities	9,606	5,200
Long-term liabilities:		
Operating lease liabilities, net of current portion	1,660	1,937
Embedded derivative liability	468	412
Total liabilities	11,734	7,549
Commitments and contingencies (Notes 5, 10 and 11)		
Shareholders' equity:		
Preferred stock, $0.001 par value; 400 shares authorized; no shares issued	—	—
Common stock, $0.001 par value; 100,000 shares authorized; issued and outstanding 53,246 and 36,827 shares as of June 30, 2024 and 2023, respectively	53	37
Additional paid-in capital	450,473	377,471
Accumulated other comprehensive loss	(79)	(351)
Accumulated deficit	(329,444)	(260,985)
Total shareholders' equity	121,003	116,172
Total liabilities and shareholders' equity	$ 132,737	$ 123,721

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

REZOLUTE, INC.

Consolidated Statements of Operations and Comprehensive Loss
For the Fiscal Years Ended June 30, 2024 and 2023
(In Thousands, Except Per Share Amounts)

	2024	2023
Operating expenses:		
Research and development	$ 55,743	$ 43,813
General and administrative	14,680	12,177
Total operating expenses	70,423	55,990
Operating loss	(70,423)	(55,990)
Non-operating income (expense):		
Interest and other income, net	4,870	4,208
Loss from change in fair value of warrant derivative liability	(2,850)	—
Loss from change in fair value of embedded derivative liability	(56)	(5)
Total non-operating income, net	1,964	4,203
Net loss	(68,459)	(51,787)
Other comprehensive income (loss):		
Net unrealized gain (loss) on marketable debt securities	272	(351)
Comprehensive loss	$ (68,187)	$ (52,138)
Net loss per common share:		
Basic and diluted	$ (1.33)	$ (1.01)
Weighted average number of common shares outstanding:		
Basic and diluted	51,465	51,187

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

REZOLUTE, INC.

Consolidated Statements of Shareholders' Equity
For the Fiscal Years Ended June 30, 2024 and 2023
(In Thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount				
Balances, June 30, 2022	33,582	$ 34	$ 358,635	$ —	$ (209,198)	$ 149,471
Gross proceeds from issuance of common stock for cash in 2022 Private Placement	3,245	3	12,327	—	—	12,330
Underwriting commissions and other equity offering costs	—	—	(759)	—	—	(759)
Share-based compensation	—	—	7,268	—	—	7,268
Net change in accumulated other comprehensive loss	—	—	—	(351)	—	(351)
Net loss	—	—	—	—	(51,787)	(51,787)
Balances, June 30, 2023	36,827	37	377,471	(351)	(260,985)	116,172
Proceeds from issuance of equity securities in 2024 Underwritten Offering, net of underwriting discounts						
Common stock	13,037	13	49,004	—	—	49,017
2024 Pre-Funded Warrants	—	—	14,096	—	—	14,096
Other equity offering costs	—	—	(548)	—	—	(548)
Issuance of common stock upon exercise of stock options	82	—	246	—	—	246
Share-based compensation	—	—	7,360	—	—	7,360
Cashless exercise of pre-funded warrants	6,300	6	(6)	—	—	—
Acquisition and retirement of treasury shares pursuant to Exchange Agreement	(3,000)	(3)	(5,697)	—	—	(5,700)
Reclassification of warrant derivative liability to equity	—	—	8,547	—	—	8,547
Net change in accumulated other comprehensive loss	—	—	—	272	—	272
Net loss	—	—	—	—	(68,459)	(68,459)
Balances, June 30, 2024	53,246	$ 53	$ 450,473	$ (79)	$ (329,444)	$ 121,003

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

REZOLUTE, INC.

Consolidated Statements of Cash Flows
For the Fiscal Years Ended June 30, 2024 and 2023
(In Thousands)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (68,459)	$ (51,787)
Share-based compensation expense	7,360	7,268
Loss from change in fair value of warrant derivative liability	2,850	—
Loss from change in fair value of embedded derivative liability	56	5
Non-cash lease expense	526	352
Accretion of discounts and amortization of premiums on marketable debt securities, net	(2,837)	(1,370)
Depreciation expense	36	30
Changes in operating assets and liabilities:		
Increase in prepaid expenses, deposits, and other assets	(129)	(1,320)
Increase in accounts payable	1,083	2,136
Increase in accrued liabilities	2,146	205
Net Cash Used in Operating Activities	(57,368)	(44,481)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of marketable debt securities	(66,401)	(107,311)
Proceeds from maturities of marketable debt securities	115,100	6,000
Purchase of property and equipment	—	(153)
Total Cash Provided by (Used in) Investing Activities	48,699	(101,464)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	234	—
Net cash payment pursuant to Exchange Agreement	(3)	—
Proceeds from issuance of equity securities in 2024 Underwritten Offering, net of underwriting discounts		
Issuance of common stock	49,017	—
Issuance of pre-funded warrants	14,096	—
Gross proceeds from issuance of common stock in 2022 Private Placement	—	12,330
Payment of commissions and other deferred offering costs	(315)	(759)
Net Cash Provided by Financing Activities	63,029	11,571
Net increase (decrease) in cash and cash equivalents	54,360	(134,374)
Cash and cash equivalents at beginning of fiscal year	16,036	150,410
Cash and cash equivalents at end of fiscal year	$ 70,396	$ 16,036

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

REZOLUTE, INC.

Consolidated Statements of Cash Flows, Continued
For the Fiscal Years Ended June 30, 2024 and 2023
(In Thousands)

	2024	2023
SUPPLEMENTARY CASH FLOW INFORMATION:		
Cash paid for interest	$ —	$ —
Cash paid for income taxes	—	—
Cash paid for amounts included in the measurement of operating lease liabilities	728	215
Operating lease liabilities incurred in exchange for right-of-use assets	352	2,204
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Acquisition of treasury shares in exchange for pre-funded warrant derivative liability	$ 5,697	$ —
Receivable from exercise of stock options	12	—
Payables for offering costs charged to additional paid-in capital	548	—

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

NOTE 1 — NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Rezolute, Inc. (the "Company") is a late-stage rare disease company focused on significantly improving outcomes for individuals with hypoglycemia caused by hyperinsulinism. The Company's primary clinical assets consist of (i) ersodetug (formerly known as RZ358), which is a potential treatment for all forms of hyperinsulinism, including congenital hyperinsulinism, an ultra-rare pediatric genetic disorder characterized by excessive production of insulin by the pancreas, and (ii) RZ402, which is an oral plasma kallikrein inhibitor ("PKI") being developed as a potential therapy for the chronic treatment of diabetic macular edema.

Consolidation

The Company has two wholly owned subsidiaries consisting of Rezolute (Bio) Ireland Limited, and Rezolute Bio UK, Ltd. The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

The Company's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Comprehensive income (loss) is defined as net income (loss) plus other comprehensive income (loss). Other comprehensive income (loss) is comprised of revenues, expenses, gains, and losses that under GAAP are reported as separate components of shareholders' equity instead of net income (loss). For the fiscal years ended June 30, 2024 and 2023, components of comprehensive loss included the Company's net loss and unrealized gains (losses) on investments in marketable debt securities.

The Company's Chief Executive Officer also serves as the Company's chief operating decision maker for purposes of allocating resources and assessing performance based on financial information of the Company. Since its inception, the Company has determined that its activities as a clinical stage biopharmaceutical company are classified as a single reportable operating segment.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in the consolidated financial statements and the accompanying notes. The Company bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes are reasonable under the circumstances, to determine the carrying values of assets and liabilities that are not readily apparent from other sources. The Company's significant accounting estimates include, but are not necessarily limited to, determination if an allowance for credit losses is required or if other than temporary impairment exists for marketable debt securities, fair value of an derivative liabilities, fair value of share-based payments, management's assessment of going concern, and estimates related to clinical trial accrued liabilities. Actual results could differ from those estimates.

Risks and Uncertainties

The Company's operations may be subject to significant risks and uncertainties including financial, operational, regulatory and other risks associated with a clinical stage company, including the potential risk of business failure discussed in Note 2.

Cash and Cash Equivalents

All highly liquid investments purchased with an original maturity of three months or less that are freely available for the Company's immediate and general business use are classified as cash and cash equivalents. Cash and cash equivalents consist primarily of demand deposits with financial institutions, money market funds and corporate commercial paper purchased with a maturity of three months or less.

Investments in Marketable Debt Securities

Under the investment policy approved by the Company's Board of Directors, eligible investments in fixed income debt securities must be denominated and payable in U.S. dollars, including eligible corporate bonds, corporate commercial paper, U.S. government obligations, and money market funds. This investment policy only permits investments in the debt securities of issuers that meet stringent credit quality ratings on the date of the investment. The investment policy also places restrictions on the length of maturities and concentrations by type and issuer. The Company's investments are issued by issuers that management believes are of high credit quality. However, all issuers are exposed to credit risk in the event of default. The Company classifies investments in marketable debt securities that mature in less than one year as short-term assets. For investments that mature in more than one year, the investments are classified as long-term assets unless management intends to liquidate the investments to fund current operations before the scheduled maturity dates.

The Company accounts for all of its investments in marketable debt securities as available-for-sale securities whereby they are recorded in the consolidated balance sheet at fair value. Interest income is recognized in the consolidated statement of operations, consisting of accrued interest earned based on the coupon rate of the security, plus the impact of accreting discounts and amortizing premiums to maturity using the straight-line method which approximates the interest method. Unrealized gains and losses due to subsequent changes in fair value of the investments are reported in shareholders' equity as a component of accumulated other comprehensive income (loss). The Company reviews the components of its portfolio of available-for-sale debt securities, using both quantitative and qualitative factors, to determine if declines in fair value below amortized cost have resulted from a credit-related loss or other factors. If declines in fair value below amortized costs are due to the deterioration of an issuer's credit quality, the Company is required to record an allowance for credit losses related to such investments with a corresponding loss recognized in the consolidated statements of operations. Allowances for credit losses may be reversed in subsequent periods if conditions improve and credit-related losses are no longer expected. For declines in fair value that are solely due to changes in interest rates, impairment is not recognized if the Company has the ability and intent to hold the investment until maturity.

Prepaid Expenses and Other

Prepaid expenses and other includes nonrefundable advance payments for goods and services that will be used or rendered in future research and development activities. These advance payments are deferred and recognized as expenses in the period that the related goods are delivered, or services are performed.

Leases

The Company determines if an arrangement includes a lease as of the date an agreement is entered into. Operating leases are included in right-of-use ("ROU") assets and operating lease liabilities in the Company's consolidated balance sheets. ROU assets and operating lease liabilities are initially recognized based on the present value of the future minimum lease payments at the commencement date of the lease. The Company generally uses its incremental borrowing rate based on the information available at the lease commencement date to determine the discount rate used to compute the present value of future payments. The Company's leases may include options to extend or terminate the lease; these options are included in the calculation of ROU assets and operating lease liabilities when it is reasonably certain that the Company will exercise the options. Lease expense is recognized on a straight-line basis over the lease term. The Company has elected not to apply the recognition requirements for short-term leases. For lease agreements with lease and non-lease components, the Company generally accounts for them separately.

Property and Equipment

Property and equipment consist solely of office furniture and equipment that is recorded at cost. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the assets which range from 3 to 5 years. Maintenance and repairs are expensed as incurred.

Research and Development Costs

Research and development costs are expensed as incurred. Intangible assets for in-licensing costs incurred under license agreements with third parties are charged to expense, unless the licensing rights have separate economic value in alternative future research and development projects or otherwise.

Clinical Trial Accruals

Clinical trial costs are a component of research and development expenses. The Company accrues and expenses clinical trial activities performed by third parties based upon estimates of the percentage of work completed over the life of the individual study in accordance with agreements established with clinical research organizations and clinical trial sites. The Company determines the estimates through discussions with internal clinical personnel and external service providers as to the progress or stage of completion of trials or services and the agreed-upon fee to be paid for such services.

Share-Based Compensation

The Company measures the fair value of employee and director services received in exchange for grants of stock options and other equity awards granted, based on the fair value of the award as of the grant date. The Company computes the fair value of stock options using the Black-Scholes-Merton ("BSM") option pricing model and recognizes the value of the equity awards over the period that services are provided to earn the award, usually the vesting period. For awards granted which contain a graded vesting schedule, and the only condition for vesting is a service condition, compensation cost is recognized as an expense on a straight-line basis over the requisite service period as if the award was, in substance, a single award. The Company recognizes the impact of forfeitures in the period that the forfeiture occurs, rather than estimating the number of awards that are not expected to vest in accounting for share-based compensation. For stock options that are voluntarily surrendered by employees, all unrecognized compensation is immediately recognized in the period the options are cancelled.

Embedded Derivatives

When the Company enters into a financial instrument such as a debt or equity agreement (the "Host Contract"), the Company assesses whether the economic characteristics of any embedded features would meet the definition of a derivative instrument, and whether such features are considered clearly and closely related to the primary economic characteristics of the Host Contract. When it is determined that (i) an embedded feature possesses economic characteristics that are not clearly and closely related to the primary economic characteristics of the Host Contract, and (ii) a separate, stand-alone instrument with the same terms would meet the definition of a financial derivative instrument and cannot be classified in shareholders' equity, then the embedded feature is bifurcated from the Host Contract and accounted for as a derivative liability. The estimated fair value of the derivative feature is recorded separately from the carrying value of the Host Contract, with subsequent changes in the estimated fair value recorded as a non-operating gain or loss in the Company's consolidated statements of operations.

Fair Value of Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance set forth by the Financial Accounting Standards Board ("FASB") in Accounting Standards Codification ("ASC") 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the

Company's own common shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and during each subsequent quarterly period while the warrants are outstanding. Liability-classified warrants are valued using the BSM option-pricing model at issuance, and for each subsequent reporting period.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, deferred income tax assets and liabilities that are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using enacted tax rates and laws that are in effect when the differences are expected to be recovered or settled. Realization of deferred income tax assets is dependent upon future taxable income. A valuation allowance is recognized if it is more likely than not that some portion or all of a deferred income tax asset will not be realized based on the weight of available evidence, including expected future earnings.

The Company recognizes uncertain tax position in its financial statements when it concludes that a tax position is more likely than not to be sustained upon examination based solely on its technical merits. Only after a tax position passes the first step of recognition will measurement be required. Under the measurement step, the tax benefit is computed as the largest amount of benefit that is more likely than not to be realized upon effective settlement. This calculation is determined on a cumulative probability basis. The full impact of any change in recognition or measurement is reflected in the period in which such change occurs. Interest and penalties related to income taxes will be recognized as a component of income tax expense.

Net Loss Per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of outstanding shares of common stock and pre-funded warrants that are accounted for as equity instruments. Common shares associated with pre-funded warrants are included in the computation of both basic and diluted net loss per share since the exercise price is negligible and all of the pre-funded warrants are fully vested and exercisable. To the extent dilutive, during periods in which pre-funded warrants are accounted for as derivative liabilities, the calculation of diluted net loss per share will be further adjusted to eliminate gains on changes in the fair value of such pre-funded warrants, and the related pre-funded warrant shares will be included in the weighted average number of shares outstanding.

Diluted net loss per share is computed using the treasury stock method by further giving effect to all potential shares of common stock, including stock options and warrants, to the extent dilutive.

For participating warrants that are entitled to participate in dividends declared to holders of shares of common stock, the Company applies the two-class method of allocating earnings if the impact of including the participating warrants is dilutive for the calculation of both basic and diluted net loss per share.

Treasury Shares

The Company accounts for purchases of treasury shares under the cost method. In accordance with Nevada law, acquired treasury shares may be retired by the Company. Upon retirement, the treasury shares are no longer accounted for as issued and outstanding.

Recent Accounting Pronouncements

Recently Adopted Accounting Standard. The following accounting standard was adopted in the fiscal year ended June 30, 2024:

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* ASU 2016-13 amends the guidance on the impairment of financial instruments. This update adds an impairment model (known as the current expected credit losses

model) that is based on expected losses rather than incurred losses. Under the expected credit loss model, if declines in fair value below amortized costs are due to the deterioration of an issuer's credit quality, the Company is required to record an allowance for credit losses related to such investments with a corresponding loss recognized in the consolidated statements of operations. Allowances for credit losses may be reversed in subsequent periods if conditions improve and credit-related losses are no longer expected. For declines in fair value that are solely due to changes in interest rates, impairment is not recognized if the Company has the ability and intent to hold the investment until maturity. Effective as of July 1, 2023, the Company implemented the guidance in ASU 2016-13. The adoption of ASU 2016-13 did not have any impact on the accompanying consolidated financial statements.

Standard Required to be Adopted in Future Periods. The following accounting standard has not yet been adopted by the Company:

In December 2023, the FASB issued ASU 2023-09, *"Income Taxes (Topic 740) – Improvements to Income Tax Disclosures"*. ASU 2023-09 requires disclosure of additional income tax information, primarily related to the rate reconciliation and income taxes paid. This ASU is intended to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. Management has not determined the timing for adoption of this standard.

The adoption of ASU 2023-09 and other accounting standards that have been issued or proposed by the FASB that do not require adoption until a future date are not currently expected to have a material impact on the Company's consolidated financial statements upon adoption.

NOTE 2 — LIQUIDITY

The Company is in the clinical stage and has not yet generated any revenues. For the fiscal year ended June 30, 2024, the Company incurred a net loss of $68.5 million and net cash used in operating activities amounted to $57.4 million. As of June 30, 2024, the Company had an accumulated deficit of $329.4 million, and the Company's capital resources consisted of cash and cash equivalents of $70.4 million and in marketable debt securities totaling $56.7 million.

As discussed in Note 7, the Company completed the 2024 Underwritten Offering in June 2024 that resulted in the issuance of approximately 13.0 million shares of common stock and 3.8 million prefunded warrants for net proceeds of $62.6 million after underwriting discounts and other offering costs.

As of June 30, 2024, the Company had total liabilities of $11.7 million, including total current liabilities of $9.6 million. As discussed in Note 5, the Company is subject to license agreements that provide for future contractual payments upon achievement of various milestone events. Pursuant to the XOMA License Agreement (as defined below), a $5.0 million milestone payment will be due upon dosing of the last patient in a Phase 3 clinical trial for ersodetug. The commitment to pay the last patient dosing milestone of $5.0 million for the ersodetug Phase 3 clinical trial is expected to be recognized as a liability within 12 months.

As discussed in Note 15, in July 2024 the Company received net proceeds of approximately $6.0 million related to a private placement of 1.5 million shares of common stock.

Management believes the Company's cash and cash equivalents, investments in marketable debt securities, and additional proceeds from the July 2024 private placement, will be adequate to meet the Company's contractual obligations and carry out ongoing clinical trials and other planned activities through September 2025, at a minimum.

NOTE 3 — INVESTMENTS IN MARKETABLE DEBT SECURITIES

Investments in marketable debt securities are classified as follows in the consolidated balance sheets as of June 30, 2024 and 2023 (in thousands):

	2024	2023
Short-term investments	$ 56,478	$ 85,860
Long-term investments	263	16,470
Total investments	$ 56,741	$ 102,330

The Company only invests in liquid, high quality debt securities. Nonetheless, all of these investments are subject to interest rate and credit risk that may result in fluctuations in the fair value of the investments. To minimize the exposure due to an adverse shift in interest rates, the Company generally invests in securities with expected maturities of two years or less while maintaining a weighted average maturity ofone year or less. As of June 30, 2024 investments in marketable debt securities with an aggregate fair value of $56.5 million are scheduled to mature during the 12-month period ending June 30, 2025. All of the remaining investments with a fair value of $0.3 million, are scheduled to mature during the 12-month period ending June 30, 2026.

During the fiscal year ended June 30, 2024, marketable debt securities for $115.1 million matured and approximately $66.4 million of the proceeds were reinvested in additional marketable debt securities. The Company did not sell any marketable debt securities prior to the scheduled maturity dates for the fiscal year ended June 30, 2024.

Accrued interest receivable on all marketable debt securities amounted to $0.4 million and $0.3 million as of June 30, 2024 and 2023, respectively. Accrued interest is included in other current assets in the accompanying consolidated balance sheet.

For the fiscal years ended June 30, 2024 and 2023, the Company didnot recognize any allowance for credit losses or other than temporary impairment related to investments in marketable debt securities.

The following table summarizes the unrealized gains and losses that result in differences between the amortized cost basis and fair value of the Company's marketable debt securities held as of June 30, 2024 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate commercial paper	$ 20,941	$ —	$ (12)	$ 20,929
Obligations of U.S. government agencies	2,001	—	(4)	1,997
U.S. Treasury obligations	2,727	—	(7)	2,720
Corporate notes and bonds	30,888	—	(56)	30,832
Asset-backed securities	263	—	—	263
Total	$ 56,820	$ —	$ (79)	$ 56,741

The following table summarizes the unrealized gains and losses that result in differences between the amortized cost basis and fair value of the Company's marketable debt securities held as of June 30, 2023 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate commercial paper	$ 41,670	$ —	$ (73)	$ 41,597
Obligations of U.S. government agencies	26,565	—	(170)	26,395
U.S. Treasury obligations	10,416	2	(14)	10,404
Corporate notes and bonds	19,253	1	(14)	19,240
Asset-backed securities	4,777	—	(83)	4,694
Total	$ 102,681	$ 3	$ (354)	$ 102,330

NOTE 4 — LEASES

In October 2023, the Company entered into an addendum to the lease agreement for its office in Bend, Oregon. The addendum provided for a 36-month extension, resulting in a new expiration date in February 2027. The average base rent payable over the remaining lease term is approximately $9,000. Upon execution of the addendum, the Company re-measured the Bend, Oregon operating lease liability at approximately $345,000 using a discount rate of 10.0%, and the related right-of-use asset was recognized for approximately $351,000.

In April 2022, the Company entered into a lease agreement for a new corporate headquarters facility in Redwood City, California. The space consists of approximately 9,300 square feet and provides for total base rent payments of approximately $2.9 million through the expected expiration of the lease in November 2027. Prior to occupancy, the landlord was required to make improvements to the facility that were completed in October 2022, triggering the commencement of the lease. The lease provided for a six-month rent abatement period beginning upon commencement of the lease term. In addition, the lease provided an allowance of approximately $0.1 million that was utilized by the Company for the purchase of furniture and equipment. The average base rent payable in cash over the 60-month lease term is approximately $48,000 per month. Upon commencement of the lease, the Company recognized a right-of-use asset for approximately $2.3 million, and a related operating lease liability for approximately $2.2 million.

As of June 30, 2024 and 2023, the carrying values of all of the Company's right-of-use assets and the related operating lease liabilities were as follows (in thousands):

	2024	2023
Right-of-use assets	$ 1,880	$ 2,054
Operating lease liabilities:		
Current	$ 568	$ 541
Long-term	1,660	1,937
Total	$ 2,228	$ 2,478

For the fiscal years ended June 30, 2024 and 2023, operating lease expense included under the following captions in the accompanying consolidated statements of operations (in thousands):

	2024	2023
Research and development	$ 484	$ 453
General and administrative	196	154
Total	$ 680	$ 607

In addition to base rent expense, the Company's facility leases require variable payments, including the proportionate share of the real estate taxes, building insurance and common area maintenance costs related to the facilities. These variable payments are excluded from the determination of operating lease liabilities and amounted to an aggregate of $0.1 million for the fiscal year ended June 30, 2024.

As of June 30, 2024, the weighted-average remaining lease term under operating leases was 3.3 years, and the weighted-average discount rate used to determine the operating lease liabilities was 7.2%. As of June 30, 2023, the weighted-average remaining lease term under operating leases was 4.3 years, and the weighted-average discount rate used to determine the operating lease liabilities was 6.8%.

Future Lease Payments

Future payments under all operating lease agreements as of June 30, 2024 are as follows (in thousands):

Fiscal year ending June 30,		
2025	$	748
2026		770
2027		750
Thereafter		224
Total lease payments		2,492
Less imputed interest		(264)
Present value of operating lease liabilities	$	2,228

NOTE 5 —LICENSE AGREEMENTS

XOMA License Agreement

In December 2017, the Company entered into a license agreement ("XOMA License Agreement") with XOMA Corporation ("XOMA"), through its wholly-owned subsidiary, XOMA (U.S.) LLC, pursuant to which XOMA granted an exclusive global license to the Company to develop and commercialize XOMA 358 (formerly X358 or RZ358, now ersodetug) for all indications.

In January 2022, the Company was required to make a milestone payment under the XOMA License Agreement of $2.0 million that became due upon the dosing of the last patient in the Company's Phase 2b Clinical Trial for ersodetug. In April 2024, the Company was required to make a milestone payment under the XOMA License Agreement of $ 5.0 million that became due upon dosing of the first patient in the Company's Phase 3 Clinical Trial for ersodetug. Upon the achievement of certain clinical and regulatory events under the XOMA License Agreement, the Company will be required to make additional milestone payments to XOMA up to $ 30.0 million. After the clinical and regulatory milestones, the Company will be required, upon the future commercialization of ersodetug, to pay royalties to XOMA based on the net sales of the related products and additional milestone payments to XOMA up to $ 185.0 million related to annual net sales amounts. There have been no events that would result in any royalty payments owed under the XOMA License Agreement to date. The Company records a liability for milestone payments under license agreements in the period that the milestone event is achieved. The next milestone payment of $5.0 million will be due upon dosing of the last patient in the ongoing Phase 3 clinical trial for ersodetug.

ActiveSite License Agreement

In August 2017, the Company entered into a Development and License Agreement (the "ActiveSite License Agreement") with ActiveSite Pharmaceuticals, Inc. ("ActiveSite") pursuant to which the Company acquired the rights to ActiveSite's Plasma Kallikrein Inhibitor program ("PKI Portfolio"). The Company is initially using the PKI Portfolio to develop an oral PKI therapeutic for diabetic macular edema (RZ402) and may use the PKI Portfolio to develop other therapeutics for different indications. The ActiveSite Development and License Agreement requires various milestone payments up to $46.5 million if all milestone events are achieved. The first milestone payment for $1.0 million was paid in December 2020 after clearance was received for an Initial Drug Application, or IND, filed with the U.S. Food and Drug Administration ("FDA"). The second milestone payment of $ 3.0 million was paid in February 2023 after dosing of the first patient in a Phase 2 clinical trial for RZ402. The next milestone payment of $5.0 million will be due upon the first dosing of a patient in a Phase 3 clinical trial. The Company is also required to pay royalties equal to 2.0% of any sales of products that use the PKI Portfolio. There have been no events that would result in any royalty payments owed under the ActiveSite License Agreement to date.

NOTE 6 — EMBEDDED DERIVATIVE LIABILITY

On April 14, 2021, the Company entered into a $30.0 million Loan and Security Agreement (the "Loan Agreement") with SLR Investment Corp. ("SLR") and certain other lenders (collectively, the "Lenders"). The Lenders agreed to loan up to $30.0 million but the actual amount borrowed by the Company amounted to $15.0 million. The maturity date of the outstanding borrowings was April 1, 2026 (the "Maturity Date"), but the Company elected to repay the entire amount and terminated the Loan Agreement on June 30, 2022.

Concurrently with the execution of the Loan Agreement, the Company entered into an exit fee agreement (the "Exit Fee Agreement") that provides for a fee of 4.00% of the funded principal balance for a total of $0.6 million in the event certain transactions (defined as "Exit Events") occur prior to April 13, 2031. The Exit Fee was not eliminated by termination of the Loan Agreement discussed above. The Company is accounting for the Exit Fee Agreement as an embedded derivative liability with an estimated fair value of $0.5 million and $0.4 million as of June 30, 2024 and 2023, respectively. Exit Events include, but are not limited to, sales of substantially all assets, certain mergers, change of control transactions, and issuances of common stock that result in new investors owning more than 35% of the Company's shares. Fair value of embedded derivatives is assessed at the end of each reporting period with changes in fair value recognized as a non-operating gain or loss.

NOTE 7 — SHAREHOLDERS' EQUITY

Pre-Funded Warrants

Between October 2021 and June 2024, the Company issued fully vested pre-funded warrants ("PFWs") exercisable to purchase an aggregate of 21.3 million shares of common stock. As of June 30, 2024 and 2023, all outstanding PFWs meet the requirements to be classified in shareholders' equity under the caption *additional paid-in capital*. The PFWs do not entitle the holders thereof to any voting rights or any of the other rights or privileges to which holders of common stock are entitled. The exercise prices of the PFWs are subject to adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting holders of common stock. In the event of certain fundamental corporate transactions, the holders of the PFWs are entitled to receive the kind and amount of securities, cash or other property that the holders would have received had they exercised the PFWs immediately prior to such transaction.

The PFWs are exercisable at any time, subject to the then effective ownership blocker percentage (the "OBP") as elected by each of the holders of PFWs. The OBP is a percentage designated by the holders whereby the PFWs cannot be exercised if, after giving effect thereto, the holder would beneficially own more than the designated OBP. However, upon at least 61 days' prior notice to the Company, any holder of PFWs may elect to increase or decrease the OBP to any other percentage not to exceed 19.99%. Assuming the holders comply with the respective OBP terms, all of the PFWs may be exercised at any time by paying the respective exercise price or electing to exercise on a cashless basis.

As of June 30, 2022, the Company had an aggregate of 14,582,516 PFWs that were outstanding. No PFWs were issued or exercised for the fiscal year ended June 30, 2023. The following table summarizes PFW activity for the fiscal year ended June 30, 2024:

	2021 PFWs	2022 PFWs	Exchange PFWs	2024 PFWs	Total
Outstanding, June 30, 2023	1,661,461 (1)	12,921,055 (2)	—	—	14,582,516
Issuance of Exchange PFWs in March 2024	—	—	3,000,000 (3)		3,000,000
Issuance of 2024 PFWs in June 2024	—	—		3,750,000 (4)	3,750,000
Cashless exercise of PFWs:					
Shares surrendered for exercise price	(8,571)	(3,494)	—	—	(12,065)
Shares of common stock issued	(1,529,890)	(4,770,190)	—	—	(6,300,080)
Outstanding, June 30, 2024	123,000	8,147,371	3,000,000	3,750,000	15,020,371

(1) In connection with an underwritten offering in October 2021, PFWs were issued to purchase 1,661,461 shares of common stock at an issuance price of $6.49 per share (the "2021 PFWs"). The exercise price of the 2021 PFWs is $0.01 per share.

(2) In connection with a registered direct offering in May 2022, the Company issued 1,973,684 Class A PFWs and 10,947,371 Class B PFWs to purchase an aggregate of 12,921,055 shares of common stock at an issuance price of $3.799 per warrant (collectively, the "2022 PFWs"). The exercise price of the 2022 PFWs is $0.001 per share. The 2022 PFWs were classified within shareholders' equity for the entirety of the fiscal years ended June 30, 2024 and 2023.

(3) As discussed below under the caption *Exchange Agreement*, the Company issued 3,000,000 Exchange PWFs on March 8, 2024. The exercise price of the Exchange PFWs is $0.001 per share. The Exchange PFWs were initially classified as a derivative liability until May 13, 2024 when the terms were amended to permit reclassification within shareholders' equity.

(4) As discussed below under the caption *2024 Underwritten Offering*, the Company issued 2024 PWFs for the purchase of 3,750,000 shares of common stock on June 24, 2024. The exercise price of the 2024 PFWs is $0.001 per share.

2024 Underwritten Offering

On June 13, 2024, the Company entered into an underwriting agreement with Jefferies LLC and Cantor Fitzgerald & Co. (the "Underwriters") for the planned issuance and sale of equity securities in an underwritten public offering (the "2024 Underwritten Offering"). The 2024 Underwritten Offering provided for the issuance of (i) 11,250,000 shares of common stock at a price of $4.00 per share for gross proceeds of $45.0 million, and (ii) pre-funded warrants to purchase 3,750,000 shares of common stock at a public offering price of $3.999 per pre-funded warrant (the "2024 PFWs") for gross proceeds of $15.0 million. The Company granted the 2024 Underwriters a 30-day option to purchase up to an additional 2,250,000 shares of its common stock in the 2024 Underwritten Offering at a public offering price of $4.00 per share, less underwriting commissions (the "2024 Underwriters' Option"). The Underwriters' Option was partially exercised for 1,786,589 shares of common stock for gross proceeds of $7.1 million. Closing occurred on June 24, 2024, whereby the aggregate gross proceeds from the 2024 Underwritten Offering amounted to $67.1 million before deductions for underwriting commissions of 6.0% of the gross proceeds and other offering costs of approximately $0.5 million. After deducting total offering costs of $4.5 million, the net proceeds of the 2024 Underwritten Offering amounted to approximately $62.6 million.

Exchange Agreement

On March 8, 2024, the Company entered into a securities exchange agreement (the "Exchange Agreement") with certain of its stockholders (the "Exchanging Shareholders"), whereby the Company purchased 3,000,000 shares of common stock representing approximately 7% of outstanding shares with an aggregate fair value of $5,700,000 (the "Retired Shares") from the Exchanging Shareholders. The Retired Shares were immediately cancelled whereby they will remain as authorized shares for future issuance in accordance with Nevada law. Consideration for the acquisition of the Retired Shares consisted of (i) a cash payment to the Exchanging Shareholders of $3,000, and (ii) the issuance of pre-funded warrants (the "Exchange PFWs") to the Exchanging Shareholders with an estimated fair value of $5,697,000. The Exchange PFWs do not expire and are exercisable to purchase an aggregate of 3,000,000 shares of the Company's outstanding common stock at an exercise price of $0.001 per share. As required pursuant to the Exchange Agreement, the Company filed a registration statement in August 2024 to register the shares issuable upon the exercise of the Exchange PFWs.

The Exchange PFWs originally required approval by the Company's shareholders if the exercise of the Exchange PFWs resulted in aggregate beneficial ownership by the holders in excess of 19.99%. Even though the Exchange PFWs only entitled the holders to purchase 7% of the Company's outstanding shares of common stock, the requirement to obtain shareholder approval for ownership in excess of 19.99% resulted in the treatment of the exchange PFWs as a warrant derivative liability of $5.7 million as of the issuance date. The fair value of this warrant derivative liability increased by approximately $2.9 million, for a total of approximately $8.5 million as of May 13, 2024 when the Exchange PFWs were amended to permit equity classification. Accordingly, the derivative liability was reclassified to shareholders' equity on May 13, 2024.

Jefferies Open Market Sales Agreement

On November 14, 2023, the Company and Jefferies LLC (the "Agent) entered into an open market sales agreement (the "Sales Agreement") that provides for an "at the market" offering for the sale of up to $50.0 million in shares of the Company's common stock (the "Placement Shares") through the Agent. The Agent is acting as sales agent and is required to use commercially reasonable efforts to sell all of the Placement Shares requested to be sold by the Company, consistent with the Agent's normal trading and sales practices, on mutually agreed terms between the Agent and the Company. The Sales Agreement will terminate when all of the Placement Shares have been sold, or earlier upon the election of either the Company or the Agent.

The Company has no obligation to sell any of the Placement Shares under the Sales Agreement. The Company intends to use the net proceeds, if any, from amounts sold under the Sales Agreement for general corporate purposes, including working capital. Under the terms of the Sales Agreement, the Company agreed to pay the Agent a commission equal to 3.0% of the gross sales price of the Placement Shares plus certain expenses incurred by the Agent in connection with the offering.

For the fiscal year ended June 30, 2024, the Company soldno shares of its common stock pursuant to the Sales Agreement. Accordingly, the maximum amount remaining for sale under the Sales Agreement amounts to $50.0 million as of June 30, 2024.

2022 Private Placement

In May 2022, the Company entered into securities purchase agreements (the "2022 SPAs") with Handok, Inc. ("Handok") and certain of its affiliates. Handok is an affiliate of a member of the Company's Board of Directors. In July 2022, the Company entered into amended 2022 SPAs for a private placement of common stock. The private placement resulted in gross proceeds of $12.3 million in exchange for the issuance of approximately 3.2 million shares of common stock. The Company incurred approximately $0.8 million for underwriting commissions and other offering costs, resulting in net proceeds of $11.6 million.

NOTE 8 — SHARE-BASED COMPENSATION AND WARRANTS

Stock Option Plans

Presented below is a summary of the number of shares authorized, outstanding, and available for future grants under the Company's stock option plans and the Inducement Grant (defined below) as of June 30, 2024 (in thousands):

Description	Number of Shares		
	Authorized	Outstanding	Available
2015 Plan	17	17	—
2016 Plan	123	123	—
2019 Plan	200	200	—
2021 Plan	10,618	10,276	342
Inducement Grant	275	275	—
Total	11,233	10,891	342

The Company currently has one active stock option plan, the 2021 Equity Incentive Plan (the "2021 Equity Plan"). On March 31, 2021, the Company's Board of Directors adopted the 2021 Equity Plan that will terminate on March 31, 2031. On May 26, 2021, the 2021 Equity plan was approved by the Company's shareholders with authority to issue up to 1.2 million shares of common stock. Pursuant to the 2021 Equity Plan, no awards may be granted under the three legacy stock option plans shown in the table above, but all outstanding awards previously granted under those plans shall remain outstanding and subject to the terms of the respective plans. On June 16, 2022, the Company's shareholders approved an amendment to the 2021 Equity Plan, increasing the number of shares of common stock to be issued under the plan up to

10.7 million shares of common stock. Stock options outstanding under these plans expire pursuant to their contractual provisions on various dates through 2034.

2022 Employee Stock Purchase Plan

On June 16, 2022, the Company's shareholders approved the adoption of the 2022 Employee Stock Purchase Plan (the "2022 ESPP"). The 2022 ESPP provides an opportunity for employees to purchase shares of the Company's common stock through accumulated payroll deductions.

The 2022 ESPP permits consecutive offering periods that begin approximately every 6 months commencing on the first trading day on or after July 1 and terminating on the last trading day of the offering period ending on December 31 and commencing on the first trading day on or after January 1 and terminating on the last trading day of the offering period ending on June 30. The 2022 ESPP reserves 0.5 million shares for purchases. There have been no offering periods under the 2022 ESPP through June 30, 2024.

Stock Options Outstanding

The following table sets forth a summary of the combined activity under all of the Company's stock option plans, including Inducement Grant discussed below, for the fiscal years ended June 30, 2024 and 2023 (shares in thousands):

	2024			2023		
	Shares	Price [1]	Term [2]	Shares	Price [1]	Term [2]
Outstanding, beginning of fiscal year	8,745	$ 4.56	8.8	8,506	$ 5.24	9.7
Grants to employees	2,642	1.31		740	2.00	
Exercises	(82)[3]	3.02		—	—	
Expired	(110)	6.11		(116)	40.73	
Forfeited	(304)	2.63		(385)	3.75	
Outstanding, end of fiscal year	10,891 [4]	3.82	8.1	8,745	4.56	8.8
Vested, end of fiscal year	4,892 [5]	5.39	7.7	2,676	6.57	8.4

(1) Represents the weighted average exercise price.
(2) Represents the weighted average remaining contractual term until the stock options expire.
(3) The total intrinsic value (the amount by which the fair market value exceeded the exercise price) of stock options exercised during the year ended June 30, 2024, was $0.1 million.
(4) As of June 30, 2024, the intrinsic value of outstanding options was approximately$14.6 million.
(5) As of June 30, 2024, the aggregate intrinsic value of vested stock options was approximately$4.1 million.

For the fiscal year ended June 30, 2024, the aggregate fair value of stock options granted for approximately2.6 million shares of common stock amounted to $2.6 million or approximately $1.02 per share as of the grant dates. For the fiscal year ended June 30, 2023, the aggregate fair value of stock options granted for approximately 0.7 million shares of common stock amounted to $1.1 million or approximately $1.53 per share as of the grant dates. Fair value was computed using the BSM option-pricing model and will result in the recognition of compensation expense ratably over the expected vesting period of the stock options. The Company uses the BSM option pricing model to determine the fair value of stock option awards granted. The determination of the fair value of share-based awards utilizing the BSM model is affected by the share price and a number of assumptions as of the grant date, including expected volatility, expected term, risk-free interest rate and expected dividends. The Company determined it does not have a sufficient share price history since up-listing to the Nasdaq Capital Market in November 2020. As a result, the Company determined the expected volatility by using share price information of similar sized biotechnology entities whose share prices are publicly available. Due to the lack of a meaningful history of exercise behavior of stock options, the expected term of the awards is determined by the simplified method that uses the midpoint between the vesting date and the end of the contractual term for each grant of stock options. The risk-free interest rate assumption is based on observed interest rates appropriate for the expected terms of the awards. The dividend yield assumption is based on past practices and the expectation that no dividends will be paid in the future.

The fair value of stock options was estimated on the dates of grant using the BSM option-pricing model, with the following weighted-average assumptions for the fiscal years ended June 30, 2024 and 2023:

	2024	2023
Market price of common stock on grant date	$ 1.31	$ 3.73
Expected volatility	99 %	91 %
Risk free interest rate	4.2 %	3.7 %
Expected term (years)	5.6	6.0
Dividend yield	0 %	0 %

Share-based compensation expense is included under the following captions in the consolidated statements of operations for the fiscal years ended June 30, 2024 and 2023 (in thousands):

	2024	2023
Research and development	$ 3,379	$ 3,243
General and administrative	3,981	4,025
Total	$ 7,360	$ 7,268

Unrecognized share-based compensation expense for stock options as of June 30, 2024 was approximately $11.6 million. This amount is expected to be recognized over a remaining weighted average period of 2.3 years.

Inducement Grant

In connection with the hiring of the Company's Chief Financial Officer in January 2024, the Board of Directors granted a stock option for 275,000 shares of the Company's common stock at an exercise price of $1.02 per share. This stock option is considered an inducement grant (the "Inducement Grant") pursuant to Nasdaq Listing Rule 5635(c)(4) whereby the underlying shares were not authorized under any of the Company's stock option plans. The Inducement Grant is exercisable until January 2029 and vests for (i) one-fourth of the option shares on the one-year anniversary of the grant date, and (ii) one thirty-sixth of the remaining option shares shall vest on the same day of each month thereafter until the Inducement Grant is 100% vested. The fair value of the Inducement Grant of $0.2 million was computed using the BSM option pricing model.

Pre-Funded Warrants

PFWs are outstanding for a total of 15.0 million and 14.6 million shares as of June 30, 2024 and 2023, respectively. Please refer to Note 7 for additional information about outstanding PFWs and Note 13 for treatment of PFWs in the calculation of earnings per share.

Legacy Warrants

In connection with an equity financing in October 2020, the Company issued warrants entitling the holders to purchase approximately 0.8 million shares of common stock. The warrants are exercisable at $19.50 per share for a period of seven years, may be exercised on a cash or cashless basis at the election of the holders, and the holders are entitled to share in any dividends or distributions payable to holders of common stock on an as-converted basis (the "Participating Warrants"). Additionally, the Company has issued warrants to purchase shares of common stock in conjunction with other debt and equity financings and for services. As of June 30, 2024 and 2023, all of the warrants were vested. The Participating Warrants and other warrants are collectively referred to as the "Legacy Warrants."

For the fiscal years ended June 30, 2024 and 2023,no Legacy Warrants were granted or exercised. The following table sets forth a summary of activity related to the Legacy Warrants for the fiscal years ended June 30, 2024 and 2023 (shares in thousands):

	2024			2023		
	Shares	Price [1]	Term [2]	Shares	Price [1]	Term [2]
Outstanding, beginning of fiscal year	888	$ 22.10	4.1	1,150	$ 22.83	4.2
Expirations	(27)	78.60		(262)	25.32	
Outstanding, end of fiscal year	861	20.28	3.2	888	22.10	4.1

(1) Represents the weighted average exercise price.

(2) Represents the weighted average remaining contractual term for the number of years until the warrants expire.

NOTE 9 — INCOME TAXES

Net Operating Loss Carryforwards

The Company files income tax returns in the U.S. federal jurisdiction and in several states including, but not limited to, California, Colorado, and Oregon. The Company's federal and state tax returns for the 2021 fiscal year and forward are subject to examination by taxing authorities. Federal and state laws impose substantial restrictions on the utilization of federal net operation loss ("NOL") carryforwards in the event of an ownership change for income tax purposes, as defined in Section 382 of the Internal Revenue Code ("IRC"). Pursuant to IRC Section 382, annual use of the Company's NOL carryforwards is limited in the event that a cumulative change in ownership of more than 50% occurs within a three-year period. During the fiscal year ended June 30, 2022, the Company completed an IRC Section 382 analysis and concluded that the Company's NOL carryforwards are subject to limitations as a result of past ownership changes.

As of June 30, 2024, the Company has U.S. federal net operating loss ("NOL") carryforwards of approximately $171.7 million, of which approximately $33.4 million of NOL carryforwards will never be available for use due to the limitations under IRC section 382 discussed above. The remainder of the Company's NOL carryforwards of $138.3 million consists of (i) $38.0 million that never expires and is currently available to offset taxable income, (ii) $9.6 million that is currently available to offset taxable income but if not utilized expires in 2031 through 2035, (iii) $11.7 million that become available through fiscal year 2038 and that expires by June 30, 2038 if not utilized, and (iv) $79.0 million that never expires. With respect to the $79.0 million of NOL carryforwards that never expire, this amount will become available in varying annual amounts for an aggregate approximately $13.2 million through fiscal year 2038 and $1.2 million annually thereafter. If the Company experiences future ownership changes that meet the aforementioned criteria under Section 382, further limitations will be imposed on the use of all NOL carryforwards existing through the date of such change. The Company also has Colorado and California NOL carryforwards that begin to expire in 2031 and are expected to be subject to similar limitations as those imposed under IRC Section 382.

Income Tax Expense

For the fiscal years ended June 30, 2024 and 2023, the reconciliation between the income tax benefit computed by applying the statutory U.S. federal income tax rate to the pre-tax loss before income taxes, and total income tax expense recognized in the consolidated financial statements is as follows (in thousands):

	2024	2023
Income tax benefit at statutory U.S. federal rate	$ 14,374	$ 10,875
Income tax benefit attributable to U.S. states	4,413	3,468
Impact of reduction in Colorado tax rate	—	(78)
Non-taxable derivative loss	(598)	—
Non-deductible expenses	(505)	(442)
Stock option expirations	(16)	(921)
NOL expirations	(7,004)	—
Other	4	(399)
Change in valuation allowance	(10,668)	(12,503)
Total income tax expense	$ —	$ —

For the fiscal years ended June 30, 2024 and 2023, the Company did not recognize any current income tax expense or benefit due to a full valuation allowance on its net deferred income tax assets.

Deferred Income Tax Assets and Liabilities

As of June 30, 2024 and 2023, the income tax effects of temporary differences that give rise to significant deferred income tax assets and liabilities are as follows (in thousands):

	2024	2023
Deferred income tax assets:		
Net operating loss carryforwards	$ 38,942	$ 40,537
Research and experimental costs	19,213	9,454
Intangible assets	6,487	5,595
Share-based compensation	4,280	2,884
Operating lease liabilities	624	694
Accrued expenses and other	763	603
Total deferred income tax assets	70,309	59,767
Valuation allowance for deferred income tax assets	(69,783)	(59,192)
Deferred income tax assets, net of valuation allowance	526	575
Deferred income tax liability right-of-use assets	(526)	(575)
Net deferred income tax assets	$ —	$ —

For the fiscal year ended June 30, 2024, the valuation allowance increased by $10.7 million, primarily as a result of the increase in net operating loss carryforwards and capitalization of research and experimental costs for income tax purposes. In assessing the realizability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized.

Unrecognized Tax Benefits

The Company did not have any unrecognized tax benefits as of June 30, 2024 and 2023. The Company's policy is to account for any interest expense and penalties for unrecognized tax benefits as part of the income tax provision. The Company does not anticipate that unrecognized tax benefits will significantly increase or decrease within the next twelve months.

NOTE 10 — COMMITMENTS AND CONTINGENCIES

Licensing Commitments

Please refer to Note 5 for further discussion of commitments to make milestone payments and to pay royalties under license agreements with XOMA and ActiveSite.

Employment Agreements

As of June 30, 2024, the Company was subject to employment agreements withtwo officers of the Company and one employee of the Company that provide for aggregate annual base salaries of $1.4 million.

The agreements with the Chief Executive Officer and Chief Medical Officer provides that if either of the individuals is terminated outside of a change in control event and without cause, (i) all of their stock options that are subject to ongoing vesting conditions over subsequent periods ranging from 12 to 18 months will immediately vest, and (ii) such stock options will remain exercisable for periods ranging from 6 to 12 months following the occurrence of the termination event. In addition, if either of the executive officers are terminated solely due to a change of control event, all of their respective unvested stock options will immediately vest and all outstanding stock options will remain exercisable for periods ranging from 6 to 12 months following the occurrence of the termination event.

The Chief Medical Officer's employment agreement, as amended, provides that upon the occurrence of a termination event other than a change of control, the Company is required to (i) make severance payments equal to 12 months of salary, a pro-rata bonus, and health insurance coverage for 12 months following the termination date, and (ii) all unvested stock options subject to vest over the subsequent12 month period after the termination event will become immediately exercisable and all outstanding stock options will remain exercisable for 6 months following the termination event. In addition, upon the occurrence of a termination solely due to a change of control event, the Company is required to (i) make severance payments equal to 18 months of salary, a pro-rata bonus, and health insurance coverage for 18 months following the termination event.

401(k) Plan

The Company has a defined contribution employee benefit plan under section 401(k) of the Internal Revenue Code (the "401(k) Plan"). The 401(k) Plan covers all eligible employees who are entitled to participate beginning six months after the commencement of employment. The Company matches contributions up to 4% of the participating employee's compensation with such matching contributions vested immediately. Total contributions by the Company to the 401(k) Plan amounted to approximately $0.4 million and $0.3 million for the fiscal years ended June 30, 2024 and 2023, respectively.

Legal Matters

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of June 30, 2024, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the Company's results of operations or financial position. At each reporting period, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under ASC 450, *Contingencies*. Legal fees are expensed as incurred.

NOTE 11 — RELATED PARTY TRANSACTIONS

Related Party Licensing Agreement

On September 15, 2020, the Company entered into an exclusive license agreement with Handok (the "Handok License") for the territory of the Republic of Korea. The Handok License relates to pharmaceutical products in final dosage form containing the pharmaceutical compounds developed or to be developed by the Company, including those related to ersodetug and RZ402. The Handok License is in effect for a period of 20 years after the first commercial sale of each product and requires (i) milestone payments of $0.5 million upon approval of a New Drug Application ("NDA") for each product in the territory, and (ii) the Company will sell products ordered by Handok at a transfer price equal to 70% of the net selling price of the products. To date, no milestone payments have been earned by the Company.

Investors in 2022 Private Placement

Handok and certain of its affiliates were the sole investors in the 2022 Private Placement discussed in Note 7.

NOTE 12 - SUPPLEMENTAL FINANCIAL INFORMATION

Cash and cash equivalents

Cash and cash equivalents consisted of the following as of June 30, 2024 and 2023 (in thousands):

	2024	2023
Money market funds	$ 61,249	$ 5,464
Demand deposits at a single financial institution	9,147	6,091
Commercial paper	—	4,481
Total	$ 70,396	$ 16,036

The money market funds and commercial paper included in the table above were purchased with an original maturity of three months or less. These investments and the demand deposits are freely available for the Company's immediate and general business use.

Property and Equipment

Property and equipment consisted of the following as of June 30, 2024 and 2023 (in thousands):

	2024	2023
Office furniture and equipment	$ 210	$ 210
Less accumulated depreciation	(107)	(71)
Total	$ 103	$ 139

Depreciation expense related to property and equipment amounted to approximately $36,000 and $30,000 for the fiscal years ended June 30, 2024 and 2023, respectively.

NOTE 13 — NET LOSS PER SHARE

Basic net loss per share is computed by dividing net loss by the weighted average number of outstanding shares of common stock and PWFs during periods when the PFWs are accounted for as equity instruments. Common shares associated with PFWs that are accounted for as equity instruments are included in the computation of basic and diluted net loss per share since the exercise price is negligible and all of the PFWs are fully vested and exercisable. For the calculation of diluted net loss per share for the fiscal year ended June 30, 2024, during the period when PFWs were accounted for as derivative liabilities, such PFWs were excluded from the calculation since the impact of PFWs was antidilutive.

Calculation of the weighted average number of shares outstanding for purposes of diluted net loss per share is also required to include the dilutive effect, if any, of stock options, Legacy Warrants, and other common stock equivalents computed using the treasury stock method. For the fiscal years ended June 30, 2024 and 2023, all of such common stock equivalents were antidilutive and excluded from the calculations. In addition, the impact of applying the two-class method related to the Participating Warrants, was antidilutive for the calculation of both basic and diluted net loss per share.

Presented below are the calculations of the numerators and the denominators for basic and diluted net loss per share for the fiscal years ended June 30, 2024 and 2023 (in thousands except per share amounts):

	2024	2023
Calculation of Numerators:		
Net loss for calculation of basic and diluted net loss per share	$ (68,459)	$ (51,787)
Calculation of Denominators:		
Weighted average number of common shares outstanding	39,499	36,605
Weighted average shares related to pre-funded warrants:		
2021 PFWs	1,195	1,661
2022 PFWs	10,245	12,921
Exchange PFWs	393	—
2024 PFWs	133 (1)	—
Weighted average shares for basic and diluted net loss per share	51,465	51,187
Net loss per share of common stock:		
Basic	$ (1.33)	$ (1.01)
Diluted	$ (1.33)	$ (1.01)

(1) Represents the weighted average number of shares related to the Exchange PFWs discussed in Note 7 for the period when they became equity-classified on May 13, 2024 through June 30, 2024.

As of June 30, 2024 and 2023, the following potential common stock equivalents were excluded from the calculation of diluted net loss per share since the impact of inclusion was anti-dilutive (in thousands):

	2024	2023
Stock options	10,891	8,745
Legacy warrants	861	888
Total	11,752	9,633

NOTE 14 — FINANCIAL INSTRUMENTS AND SIGNIFICANT CONCENTRATIONS

Fair Value Measurements

Fair value is defined as the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. When determining fair value, the Company considers the principal or most advantageous market in which it transacts and considers assumptions that market participants would use when pricing the asset or liability. The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1—Quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2—Other than quoted prices included in Level 1 that are observable for the asset and liability, either directly or indirectly through market corroboration, for substantially the full term of the asset or liability.

Level 3—Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any market activity for the asset or liability at the measurement date.

Assets Measured at Fair Value on a Recurring Basis

The following table presents information about the Company's financial assets measured at fair value on a recurring basis and indicates the fair value hierarchy classification of such fair values as of June 30, 2024.

	Fair Value Measurement of Assets as of June 30, 2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents:				
Money market funds	$ 61,249	$ 61,249	$ —	$ —
Marketable debt securities:				
Corporate commercial paper	20,929	—	20,929	—
U.S. Government agencies	1,997	—	1,997	—
U.S. Government treasuries	2,720	—	2,720	—
Corporate notes and bonds	30,832	—	30,832	—
Asset-backed securities	263	—	263	—
Total	$ 117,990	$ 61,249	$ 56,741	$ —

The following table presents information about the Company's financial assets measured at fair value on a recurring basis and indicates the fair value hierarchy classification of such fair values as of June 30, 2023.

	Fair Value Measurement of Assets as of June 30, 2023			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents:				
Money market funds	$ 5,464	$ 5,464	$ —	$ —
Corporate commercial paper	4,481	4,481	—	—
Marketable debt securities:				
Corporate commercial paper	41,597	—	41,597	—
U.S. Government agencies	26,394	—	26,394	—
U.S. Government treasuries	10,404	10,404	—	—
Corporate notes and bonds	19,240	—	19,240	—
Asset-backed securities	4,694	—	4,694	—
Total	$ 112,274	$ 20,349	$ 91,925	$ —

Marketable debt securities classified as Level 2 within the valuation hierarchy generally consist of U.S. government agency securities, corporate bonds, and commercial paper. The Company determines the fair value of marketable debt securities based upon valuations obtained from third-party pricing sources. Except for the amounts shown in the table above, the Company did not have any other assets measured at fair value on a recurring basis as of June 30, 2024 and 2023.

Liabilities Measured at Fair Value on a Recurring Basis

For the fiscal years ended June 30, 2024 and 2023, the Company's liabilities that are required to be measured and recorded at fair value on a recurring basis consist of the embedded derivative liability discussed in Note 6 and the warrant derivative liability discussed in Note 7. The warrant derivative liability is classified under Level 2 of the fair value hierarchy and the embedded derivative liability is classified under Level 3 of the fair value hierarchy. Fair value of the warrant liability is predominantly based on the market price of the Company's shares of common stock. Fair value of the embedded derivative liability is determined based on management's assessment of the probability and timing of occurrence for the Exit Events discussed in Note 6 using a discount rate equal to the effective interest rate under the Loan Agreement prior to termination. The fair value of the Exchange PFWs was computed using the BSM option-pricing model. Key inputs to this valuation model as of May 13, 2024 included the exercise price of $0.001 per share, the market price of the Company's common stock of $2.85 per share, the risk-free interest rate of 5.5%, an expected term of 1-day, and historical volatility of 100%. Key inputs to this valuation model as of March 8, 2024 included the exercise price of $0.001 per share, the market price of the Company's common stock of $1.90 per share, the risk-free interest rate of 5.5%, an expected term of 1-day, and historical volatility of 100%.

The following table sets forth a summary of changes in the fair value of the Company's liabilities for which fair value was determined on a recurring basis for the fiscal years ended June 30, 2024 and 2023 (in thousands):

	2024		2023	
	Warrant	Embedded	Warrant	Embedded
Fair value, beginning of fiscal year	$ —	$ 412	$ —	$ 407
Warrant liability incurred on March 8, 2024	5,697	—	—	—
Changes in fair value	2,850	56	—	5
Reclassification of warrant derivative liability to equity on May 13, 2024	(8,547)	—	—	—
Fair value, end of fiscal year	$ —	$ 468	$ —	$ 412

Due to the relatively short maturity of the respective instruments, the fair value of cash and cash equivalents, accounts payable, and accrued liabilities approximated their carrying values as of June 30, 2024 and 2023. The Company's policy is to recognize asset or liability transfers among Level 1, Level 2 and Level 3 as of the actual date of the events or change

in circumstances that caused the transfer. During the fiscal years ended June 30, 2024 and 2023, the Company did not have any transfers of its assets or liabilities between levels of the fair value hierarchy.

Significant Concentrations

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and investments in marketable debt securities. The Company maintains its cash in demand accounts at a high-quality financial institution. As of and for the fiscal years ended June 30, 2024 and 2023, cash deposits have exceeded the amount of insurance provided on such deposits by the Federal Deposit Insurance Corporation.

As of June 30, 2024, the Company had an aggregate of $26.6 million invested in marketable debt securities of issuers in the banking and financial services industries. As of June 30, 2023, the Company had an aggregate of $54.0 million invested in marketable debt securities of issuers in the banking and financial services industries, and an aggregate of $26.5 million invested in marketable debt securities of a single agency of the U.S. government. While the Company's investment policy requires investments in highly rated securities, a wide variety of broad economic factors and issuer-specific factors could result in credit agency downgrades below the Company's minimum credit rating requirements that could result in losses regardless of whether the Company elects to sell the securities or hold them until maturity.

NOTE 15 — SUBSEQUENT EVENTS

2024 Private Placement

On June 25, 2024, the Company entered into a securities purchase agreement (the "2024 SPA") with Handok and one other investor (the "2024 Purchasers") relating to a private placement (the "2024 Private Placement"), pursuant to which the Company agreed to sell 1,500,000 shares of common stock at a purchase price of $4.00 per share for gross proceeds of $6.0 million.

Closing of the 2024 Private Placement occurred in July 2024, whereby the Company received net proceeds of $6.0 million after deduction of underwriting discounts and other offering costs. As required pursuant to the 2024 SPA, the Company filed a registration statement with the U.S. Securities and Exchange Commission ("SEC") in August 2024 to register the shares of common stock issued in the 2024 Private Placement. The Company entered into a registration rights agreement with the 2024 Purchasers whereby the Company was required to have the registration statement (the "2024 Private Placement Registration Statement") declared effective within 60 days after the signing date of the 2024 SPA. The 2024 Private Placement Registration Statement was declared effective by the SEC on August 14, 2024. The Company will be obligated to pay certain liquidated damages to the 2024 Purchasers if the Company fails to maintain the effectiveness of the 2024 Private Placement Registration Statement.

Investments in Marketable Debt Securities

In July 2024, the Company utilized approximately $59.7 million of cash and cash equivalents to purchase investments in marketable debt securities with maturities that range from October 2024 through December 2025.

Exchange PFW Warrant Exercise

In July 2024, a holder of Exchange PFWs provided notice of cashless exercise of 610,404 Exchange PFWs, which resulted in the issuance of 610,273 shares of common stock.

Executive Compensation

On September 10, 2024, the Board of Directors approved an employment agreement, effective September 15, 2024, with the Company's Chief Financial Officer that provides for an annual base salary of $460,000, plus a calendar year target bonus of 40%. The agreement provides that if the Chief Financial Officer is terminated outside of a change in control event and without cause, (i) make severance payments equal to 12 months of base salary, a pro-rata bonus through the

termination date, and health insurance coverage for 12 months following the termination date, and (ii) all unvested stock options subject to vest over the subsequent 12 month period after the termination event will become immediately exercisable and all such stock options will remain exercisable for 6 months following the termination event. In addition, upon the occurrence of a termination solely due to a change of control event, the Company is required to (i) make severance payments equal to 18 months of salary, a pro-rata bonus through the termination date, and health insurance coverage for 18 months following the termination event.

Effective September 15, 2024, the Board of Directors approved an increase from approximately $557,000 to $625,000 in the annual base compensation set forth in the employment agreement discussed in Note 10 for the Company's Chief Executive Officer.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures" as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and such information is accumulated and communicated to our management, including the individual that serves as both our Chief Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this Annual Report, we carried out an evaluation, under the supervision and with the participation of senior management, including our Chief Executive Officer (our Principal Executive and Financial Officer), of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(b) and 15d-15(b). Based upon this evaluation, our Chief Executive Officer concluded that disclosure controls and procedures were effective as of the end of the period covered by this Annual Report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that receipts and expenditures are being made only in accordance with authorization of our management and directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of June 30, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway

Commission (COSO) in *Internal Control—Integrated Framework (2013)*. Based on that assessment under those criteria, our management has determined that, as of June 30, 2024, our internal control over financial reporting was effective.

Changes in Internal Control over Financial Reporting

During the fiscal quarter ended March 31, 2024, we identified a material weakness in the system of internal control that related to complex pre-funded warrant accounting. A material weakness is a deficiency, or combination of deficiencies, that creates a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected in a timely manner.

The material weakness identified by management related to our controls over the accounting for pre-funded warrants whereby we failed to initially recognize these pre-funded warrants as liabilities, along with the subsequent changes in fair value as non-cash expenses. As a result of this material weakness, we failed to timely identify material adjustments to our financial statements that were detected shortly before the filing of our Quarterly Report on Form 10-Q for the fiscal period ended March 31, 2024.

Our legacy processes included the timely identification of the relevant accounting technical pronouncements, other literature, consultation with third-party experts, and the preparation of a memorandum outlining our assessment of the factual background and our interpretation of the accounting requirements. With respect to pre-funded warrants issued on March 8, 2024, we improperly concluded that equity classification was permitted based on the facts that (i) the pre-funded warrants were only exercisable for 7% of our outstanding shares, (ii) the pre-funded warrants explicitly prohibit the holders from exercising if beneficial ownership would exceed 19.99%, and (iii) shareholder approval was only required if beneficial ownership exceeded 19.99%. Despite these terms, we determined that equity classification was not permitted, whereby we performed additional analysis as deemed necessary to ensure that the accompanying financial statements were revised and prepared in accordance with U.S. generally accepted accounting principles. Accordingly, a material weakness existed even though the correct accounting treatment was employed when we filed our Quarterly Report on Form 10-Q for the fiscal period ended March 31, 2024.

In June 2024, we completed a public underwritten offering, which included the issuance of pre-funded warrants. We engaged additional third-party specialists to determine the accounting treatment of the issued warrants to ensure that our warrant accounting policies and procedures are consistent across the organization and that we have adequate control over our Exchange Act reporting disclosures. As a result of these critical steps in our remediation efforts, we concluded that this material weakness in our internal control over financial reporting had been successfully remediated as of June 30, 2024.

Attestation Report of Independent Registered Public Accounting Firm

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to include an attestation report of our registered public accounting firm regarding internal control over financial reporting.

Item 9B. Other Information.

Executive Compensation Matters

Daron Evans Employment Agreement

On September 18, 2024, the Company entered into an employment agreement with its Chief Financial Officer, Mr. Daron Evans (the "Employment Agreement"). Pursuant to the Employment Agreement effective September 15, 2024, Mr. Evans was granted an increase of $185,000 to his yearly salary, making his base salary $460,000 annually. Mr. Evans is entitled to employee benefits and an annual performance bonus of up to 40% of his base salary, in addition to a discretionary bonus. If Mr. Evans' employment is terminated by the Company for Cause or by Mr. Evans without Good Reason then he is entitled to (i) accrued, but unpaid salary through the effective date of his termination, (ii) any reimbursements owed for business expenses validly incurred on or prior to his, (iii) any earned but unpaid bonuses or other incentive payments approved by the Board of Directors but not paid, and (iv) any accrued but unpaid benefits due and owing to Mr. Evans

(the "Accrued Obligations"). Upon Mr. Evans' termination without Cause, he will be entitled to the Accrued Obligations and a severance comprised of (i) 12 months' salary, (ii) a pro-rata bonus payment equal to the pro-rata bonus amount of the bonus earned as of the date of termination without Cause, (iii) 12 months of COBRA premiums, collectively payable in equal monthly installments following his termination, and (iv) any granted but unvested stock options under any relevant Company stock option plan or agreement will have 12 months acceleration and an exercise period of 6 months following his termination. Further, if, within 12 months of a Change in Control Event Mr. Evans' employment is terminated by the Company without Cause or by Mr. Evans with Good Reason, then he is entitled to receive the Accrued Obligations, and a severance comprised of (i) 18 months' salary, (ii) a pro-rata bonus payment equal to the pro-rata bonus amount earned as of the date of termination, (iii) 18 months of COBRA premiums, collectively payable in equal monthly installments following the termination, and (iv) all of his granted but unvested stock options under any relevant company stock option plan or agreement will immediately vest and will also have an exercise period of 6 months following his termination without Cause. Mr. Evans and the Company had previously entered into an offer letter dated January 23, 2024 (the "Offer Letter"). The Employment Agreement replaces and supersedes in its entirety, any prior employment agreements or understandings between Mr. Evans and the Company including the Offer Letter. The definition of "Cause," "Good Reason," and "Change in Control Event" is found in the Employment Agreement, along with other material terms. The Employment Agreement is attached hereto as Exhibit 10.4.

Other Executive Compensation matters

In addition to entering into the Employment Agreement, the Company agreed to grant stock options to Mr. Evans for 100,000 shares of common stock pursuant to the Company's 2021 Equity Incentive Plan (the "Options"). The Compensation Committee will grant Mr. Evans the Options following the Company's blackout period.

Additionally, Nevan Elam, the Company's Chief Executive Officer and Chairman, was granted an increase in his base salary. Mr. Elam is now entitled to an annual base salary of $ 625,000.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by the Item is set forth in our 2024 Proxy Statement to be filed with the SEC within 120 days of June 30, 2024, and is incorporated by reference into this Annual Report on Form 10-K.

Item 11. Executive Compensation.

The information required by the Item is set forth in our 2024 Proxy Statement to be filed with the SEC within 120 days of June 30, 2024, and is incorporated by reference into this Annual Report on Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 403 of Regulation S-K is set forth in our 2024 Proxy Statement to be filed with the SEC within 120 days of June 30, 2024, and is incorporated by reference into this Annual Report on Form 10-K.

Item 13. Certain Relationships and Related Transactions and Director Independence.

The information required by the Item is set forth in our 2024 Proxy Statement to be filed with the SEC within 120 days of June 30, 2024, and is incorporated by reference into this Annual Report on Form 10-K.

Item 14. Principal Accounting Fees and Services.

The information required by the Item is set forth in our 2024 Proxy Statement to be filed with the SEC within 120 days of June 30, 2024, and is incorporated by reference into this Annual Report on Form 10-K.

PART IV

Item 15. Exhibit and Financial Statement Schedules.

(a)(1) Financial Statements

Reference is made to Item 8 of Part II for the Company's consolidated financial statements filed as part of this Report.

(a)(2) Financial Statement Schedules

All financial statement schedules are omitted because they are not applicable, or the amounts are immaterial, not required, or the required information is presented in the financial statements and notes thereto included in Item 8 of Part II of this Report.

(a)(3) Exhibits

Certain of the agreements filed as exhibits to this Report contain representations and warranties by the parties to the agreements that have been made solely for the benefit of the parties to the agreement. These representations and warranties:

- may have been qualified by disclosures that were made to the other parties in connection with the negotiation of the agreements, which disclosures are not necessarily reflected in the agreements;
- may apply standards of materiality that differ from those of a reasonable investor; and
- were made only as of specified dates contained in the agreements and are subject to subsequent developments and changed circumstances.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date that these representations and warranties were made or at any other time. Investors should not rely on them as statements of fact.

The following exhibits of Rezolute, Inc. are filed or incorporated by reference as part of this Report. For exhibits that are incorporated by reference, we have indicated the document previously filed with the SEC in which the exhibit was included.

Exhibit No.	Description
1.1	Underwriting Agreement, dated as of June 13, 2024, by and between the Company and Jefferies LLC *(incorporated by reference to Exhibit 1.1 of the Company's Form 8-K filed on June 14, 2024)*
1.2	Underwriting Agreement, dated as of October 12, 2021, by and between the Company and Oppenheimer & Co., Inc. *(incorporated by reference to Exhibit 1.1 of the Company's Form 8-K filed on October 13, 2021)*
1.3	Underwriting Agreement, dated as of May 1, 2022, by and between the Company and Jefferies LLC *(incorporated by reference to Exhibit 1.1 of the Company's Form 8-K filed on May 4, 2022)*

2.1	Agreement and Plan of Merger dated as of June 18, 2021, by and between Rezolute, Inc. and Rezolute Nevada Merger Corporation *(incorporated by reference to Exhibit 2.1 of the Company's Form 8-K filed on June 21, 2021)*
3.1	Delaware Certificate of Merger, effective as of June 18, 2021 *(incorporated by reference to Exhibit 3.1 of the Company's Form 8-K filed on June 21, 2021)*
3.2	Nevada Articles of Merger, effective as of June 18, 2021 *(incorporated by reference to Exhibit 3.3 of the Company's Form 8-K filed on June 21, 2021)*
3.3	Amended and Restated Articles of Incorporation of Rezolute Nevada Merger Corporation *(incorporated by reference to Exhibit 3.3 of the Company's Form 8-K filed on June 21, 2021)*
3.4	Certificate of Amendment, as filed with the Secretary of State of the State of Nevada on June 16, 2022 *(incorporated by reference to Exhibit 3.1 of the Company's Form 8-K filed on June 17, 2022)*
3.5	Amended and Restated Bylaws of Rezolute Nevada Merger Corporation (*incorporated by reference to Exhibit 3.4 of the Company's Form 10-K filed on September 15, 2021*)
4.1	Description of Securities*
10.1	Amended and Restated Employment Agreement of Nevan Elam, dated January 8, 2023 *(incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q filed on May 11, 2023)*
10.2	Amended and Restated Employment Agreement of Brian Roberts, dated January 8, 2023 *(incorporated by reference to Exhibit 10.2 of the Company's Form 10-Q filed on May 11, 2023)*
10.3	Offer Letter for Daron Evans, dated January 23, 2024 (*incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on January 29, 2024)*
10.4	Employment Agreement of Daron Evans, dated September 15, 2024*
10.5	AntriaBio, Inc. 2015 Non Qualified Stock Option Plan *(incorporated by reference to Exhibit 10.5 of the Company's Form 8-K filed on February 24, 2015)*
10.6	AntriaBio, Inc. 2016 Non Qualified Stock Option Plan *(incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on November 4, 2016)*
10.7	AntriaBio, Inc. 2016 Non Qualified Stock Option Plan, as Amended *(incorporated by reference to Exhibit 10.25 of the Company's Form 10-K filed on September 21, 2017)*
10.8	Rezolute, Inc. First Amendment to the 2016 Non-Qualified Stock Option Plan *(incorporated by reference to Exhibit C to the Company's Schedule 14A definitive proxy statement filed on April 5, 2019)*
10.9	2019 Non Qualified Stock Option Plan *(incorporated by reference to Exhibit 10.3 of the Company's Form 8-K filed on August 6, 2019)*
10.10	Rezolute, Inc. Amended and Restated 2021 Equity Incentive Plan *(incorporated by reference to Exhibit 10.23 of the Company's Form 10-K filed on September 15, 2022)*
10.11	Rezolute, Inc. 2022 Employee Stock Purchase Plan *(Incorporated by reference to Exhibit 4.2 of the Registration Statement on Form S-8 filed on November 7, 2022)*
10.12	2021 Incentive Compensation Plan Amendment (*incorporated by reference to Appendix A of the Company's Schedule 14A definitive proxy statement filed on April 15, 2024*)
10.13	Development and License Agreement with ActiveSite Pharmaceuticals, Inc. *(incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on August 7, 2017)*
10.14	License Agreement with XOMA (US) LLC *(incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q filed on February 14, 2018)*
10.15	Amendment No. 2 to the Stock Purchase Agreement with XOMA (US) LLC *(incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q filed on February 14, 2019)*
10.16	Amendment No. 2 to the License Agreement with XOMA (US) LLC *(incorporated by reference to Exhibit 10.2 of the Company's Form 10-Q filed on February 14, 2019)*
10.17	Amendment No. 3 to the License Agreement with XOMA (US) LLC *(incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q filed on May 14, 2020)*
10.18	License Agreement with Handok, Inc. entered into on September 15, 2020 *(incorporated by reference to Exhibit 10.21 of the Company's Form 10-K filed on October 13, 2020)*

10.19	Registration Rights Agreement, dated as of October 8, 2020, by and between Rezolute, Inc., and the Investors identified therein (*incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on October 13, 2020*)
10.20	Loan and Security Agreement, dated as of April 14, 2021 by and among Rezolute, Inc., SLR Investment Corp, as collateral agent and lender, and the other lenders named therein *(incorporated by reference to Exhibit 10.1 of the Company's Form 10-Q filed on May 17, 2021)*
10.21	Exit Fee Agreement, dated as of April 14, 2021 by and among Rezolute, Inc., SLR Investment Corp, as collateral agent and lender, and the other lenders named therein *(incorporated by reference to Exhibit 10.2 of the Company's Form 10-Q filed on May 17, 2021)*
10.22	Form of Subscription Agreement, dated October 12, 2021 *(incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on October 13, 2021)*
10.23	Registration Rights Agreement, dated as of May 4, 2022, by and between Rezolute, Inc., and the purchasers identified therein (*incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on May 4, 2022*)
10.24	Placement Agency Agreement, dated as of May 1, 2022, by and between the Company and Jefferies LLC (*incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on May 4, 2022*)
10.25	Form of Amended and Restated Securities Purchase Agreement, dated as of July 22, 2022 *(incorporated by reference to Exhibit 10.22 of the Company's Form 10-K filed on September 15, 2022)*
10.26	Open Market Sale Agreement by and between Rezolute, Inc. and Jefferies, LLC (*incorporated by reference to Exhibit 1.2 of the Registration Statement on Form S-3 filed on November 14, 2023*)
10.27	Form of Financing Warrant *(incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on April 3, 2018)*
10.28	Form of Common Stock Purchase Warrant by and between the Company and the Investor identified therein (*incorporated by reference to Exhibit 4.1 the Company's Form 8-K filed on October 13, 2020*)
10.29	Form of Pre-Funded Warrant to Purchase Common Stock (*Incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on October 13, 2021*)
10.30	Form of Class A Pre-Funded Warrant (*incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on May 4, 2022*)
10.31	Form of Class B Pre-Funded Warrant (*incorporated by reference to Exhibit 4.2 of the Company's Form 8-K filed on May 4, 2022*)
10.32	Form of Exchange Warrant (*incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on March 14, 2024*)
10.33	Form of Securities Exchange Agreement (*incorporated by reference to Exhibit 4.2 of the Company's Form 8-k filed on March 14, 2024*)
10.34	Form of Pre-funded Warrant to Purchase Common Stock (*incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on June 14, 2024*)
10.35	Form of Pre-funded Warrant to Purchase Common Stock (*incorporated by reference to Exhibit 4.1 of the Company's Form 8-K filed on June 14, 2024*)
10.36	Form of Securities Purchase Agreement, dated June 25, 2024, by and between Rezolute, Inc., and the purchasers identified therein*
10.37	Registration Rights Agreement, dated June 25, 2024, by and between Rezolute, Inc., and the purchasers identified therein*
14.1	Rezolute, Inc. Code of Ethics, as amended and restated as of May 30, 2023 *(incorporated by reference to Exhibit 14.1 of the Company's Form 8-K filed on June 2, 2023)*
21.1	Listing of Subsidiaries*
23.1	Consent of Grant Thornton, LLP*
23.2	Consent of Plante & Moran, PLLC*
31.1	Certifications of Chief Executive Officer and Principal Financial Officer as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*

32.1	Certifications of Chief Executive Officer and Principal Financial Officer as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
97	Clawback Policy*
101.INS	Inline XBRL Instance 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, formatted in Inline XBRL (included as Exhibit 101)

* Filed herewith.

In accordance with SEC Release 33-8238, Exhibit 32.1 is being furnished and not filed.

Item 16. Form 10-K Summary.

Not applicable

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

REZOLUTE, INC.

Date: September 19, 2024

By: /s/ Nevan Charles Elam
Nevan Charles Elam
Acting Chair of the Board of Directors and Chief Executive Officer
(Principal Executive and Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Date: September 19, 2024

By: /s/ Nevan Charles Elam
Nevan Charles Elam
Acting Chair of the Board of Directors and Chief Executive Officer (Principal Executive and Financial Officer)

Date: September 19, 2024

By: /s/ Gil Labrucherie
Gil Labrucherie
Director

Date: September 19, 2024

By: /s/ Nerissa Kreher
Nerissa Kreher
Director

Date: September 19, 2024

By: /s/ Philippe Fauchet
Philippe Fauchet
Director

Date: September 19, 2024

By: /s/ Young-Jin Kim
Young-Jin Kim
Director

Date: September 19, 2024

By: /s/ Wladimir Hogenhuis
Wladimir Hogenhuis
Director

EXHBIT 4.1

DESCRIPTION OF SECURITIES

General

The following description summarizes the most important terms of our capital stock. It is subject to and qualified in its entirety by reference to our Amended and Restated Articles of Incorporation, as amended ("Articles of Incorporation") and Amended and Restated Bylaws ("Bylaws"), which are included as exhibits to our annual report on Form 10-K, of which this Exhibit 4.1 is a part. We encourage you to read our Articles of Incorporation, our Bylaws and the applicable provisions of the Nevada Revised Statutes (the "NRS"), for additional information.

Common Stock

Our Articles of Incorporation provide authority for us to issue up to 100,000,000 shares of common stock, par value $0.001 per share (the "Common Stock"). Under the NRS, stockholders generally are not personally liable for our debts or obligations solely as a result of their status as stockholders. Our outstanding shares of Common Stock are fully paid and nonassessable.

Voting Rights. Holders of our Common Stock are entitled to one vote per share on all matters submitted to our stockholders for a vote. There are no cumulative voting rights in the election of directors. All elections of our Board of Directors at any meeting of our stockholders shall be determined by a plurality of the votes cast. Except as otherwise required by law, our Bylaws or the rules of any stock exchange upon which our company's securities are listed, all other matters determined by our stockholders at a meeting shall be determined by a majority of the votes cast affirmatively or negatively.

Dividend Rights. Our shares of Common Stock are entitled to receive such dividends as may be declared and paid by our Board of Directors out of funds legally available therefor and to share ratably in the net assets, if any, of our company upon liquidation.

Preemptive Rights. Our stockholders have no preemptive rights to purchase any shares of our capital stock.

Choice of Forum. Our Articles of Incorporation provides that the Eighth Judicial District Court of Clark County, Nevada shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim for breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the NRS Chapters 78 or 92A, our Articles of incorporation or our Bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine. Notwithstanding this exclusive forum provision, the exclusive forum provision shall not preclude or contract the scope of exclusive federal or concurrent jurisdiction for actions brought under the Securities Exchange Act of 1934, as amended (the "Exchange Act") or the Securities Act of 1933, as amended (the "Securities Act") or the respective rules and regulations promulgated thereunder.

Preferred Stock

Our Articles of Incorporation provides authority for us to issue up to 400,000 shares of preferred stock, par value $0.001 per share. Our Board of Directors is authorized, without further stockholder action, to establish various series of preferred stock from time to time and to determine the rights, preferences and privileges of any unissued series including, among other matters, any dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms, the number of shares constituting any such series, and the description thereof and to issue any such shares.

The rights of the holders of our Common Stock will be subject to, and may be adversely affected by, the rights of holders of any preferred stock that may be issued in the future. Such rights may include voting and conversion rights which could adversely affect the holders of the Common Stock. Satisfaction of any dividend or liquidation preferences of outstanding preferred stock would reduce the amount of funds available, if any, for the payment of dividends or liquidation amounts on Common Stock.

Warrants

2024 Pre-Funded Warrants

In June 2024, we issued and sold Pre-Funded Warrants (the "2024 Pre-Funded Warrants") to purchase an aggregate of 3,750,000 shares of common stock at a public offering price of $3.999 per 2024 Pre-Funded Warrant in an underwritten public offering pursuant to a shelf registration on Form S-3.

Each 2024 Pre-Funded Warrant entitles the holder to purchase one share of our common stock at an exercise price of $0.001 per share. The 2024 Pre-Funded warrants do not expire and may be exercised at any time after their original issuance.

Under the 2024 Pre-Funded Warrants, we many not effect the exercise of any 2024 Pre-Funded Warrant, and a holder will not be entitled to exercise any portion of any 2024 Pre-Funded Warrant, which, upon giving effect to such exercise, would cause (i) the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99%, 9.99% or 19.99%, as applicable to the holder, of the number of shares of our common stock outstanding immediately after giving effect to the exercise, or (ii) the combined voting power of our securities beneficially owned by the holder of the 2024 Pre-Funded Warrant (together with its affiliates) to exceed 4.99%, 9.99% or 19.99%, as applicable to the holder, of the combined voting power of all of our securities then outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the 2024 Pre-Funded Warrants. However, any holder may increase or decrease such percentage to any other percentage upon at least 61 days' prior notice from the holder to us; provided, that a holder of a 2024 Pre-Funded Warrants may not increase such percentage to a percentage in excess of 19.99%.The exercise price of the 2024 Pre-Funded Warrants and the number of shares of our common stock issuable upon exercise of the 2024 Pre-Funded Warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The 2024 Pre-Funded Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction. The 2024 Pre-Funded Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, we have 3,750,000 shares underlying the 2024 Pre-Funded Warrants outstanding, of which there have been no exercises.

2024 Exchange Pre-Funded Warrants

In March 2024, we entered into a securities exchange agreement with certain of our stockholders, whereby we purchased 3,000,000 shares of common stock. **T**hese shares were immediately cancelled whereby they will remain as authorized shares for future issuance in accordance with Nevada law. Consideration for the acquisition of the shares consisted of (i) a cash payment to the exchanging shareholders of $3,000, and (ii) the issuance of pre-funded warrants (the "Exchange Pre-Funded Warrants") to the exchanging shareholders.
Each of the Exchange Pre-Funded Warrant entitles the holder to purchase one share of our common stock at an exercise price of $0.001 per share. The 2024 Exchange Pre-Funded Warrants do not expire and may be exercised at any time after their original issuance.

Under the Exchange Pre-Funded Warrants, we many not effect the exercise of any Exchange Pre-Funded Warrant, and a holder will not be entitled to exercise any portion of any Exchange Pre-Funded Warrant, which, upon giving effect to such exercise, would cause (i) the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 9.99% of the number of shares of our common stock outstanding immediately after giving effect to the exercise, or (ii) the combined voting power of our securities beneficially owned by the holder of the Exchange Pre-Funded Warrant (together with its affiliates) to exceed 9.99% of the combined voting power of all of our securities then outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the Exchange Pre-Funded Warrants.

However, any holder may increase or decrease such percentage to any other percentage upon at least 61 days' prior notice from the holder to us; provided, that a holder of an Exchange Pre-Funded Warrants may not increase such percentage to a percentage in excess of 19.99%.The exercise price of the Exchange Pre-Funded Warrants and the number of shares of our common stock issuable upon exercise of the Exchange Pre-Funded Warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The Exchange Pre-Funded Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction. The Exchange Pre-Funded Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, there have been exercises of 610,404 shares underlying the Exchange Pre-Funded Warrants, with 2,389,596 shares underlying the Exchange Pre-Funded Warrants have not been exercised.

Class A Pre-Funded Warrants

In May 2022, we issued and sold Class A Pre-Funded Warrants (the "Class A Pre-Funded Warrants") to purchase an aggregate of 1,973,684 shares of our common stock at an offering price of $3.799 per Class A Pre-Funded Warrant in an underwritten public offering pursuant to a shelf registration on Form S-3.

Each Class A Pre-Funded Warrant entitles the holder to purchase one share of our common stock at an exercise price of $0.001 per share. The Class A Pre-Funded Warrants do not expire and may be exercised at any time after their original issuance.

Under the Class A Pre-Funded Warrants, we may not effect the exercise of any Class A Pre-Funded Warrant, and a holder will not be entitled to exercise any portion of any Class A Pre-Funded Warrant, which, upon giving effect to such exercise, would cause (i) the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99% of the number of shares of our common stock outstanding immediately after giving effect to the exercise, or (ii) the combined voting power of our securities beneficially owned by the holder of the Class A Pre-Funded Warrant (together with its affiliates) to exceed 4.99% of the combined voting power of all of our securities then outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the Class A Pre-Funded Warrants. However, any holder may increase or decrease such percentage to any other percentage upon at least 61 days' prior notice from the holder to us; provided, that a holder of a Class A Pre-Funded Warrants may not increase such percentage to a percentage in excess of 19.99%.The exercise price of the Class A Pre-Funded Warrants and the number of shares of our common stock issuable upon exercise of the Class A Pre-Funded Warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The Class A Pre-Funded Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction. The Class A Pre-Funded Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, all 1,973,684 shares underlying the Class A Pre-Funded Warrants have been exercised.

Class B Pre-Funded Warrants

In May 2022, we issued and sold Class B Pre-Funded Warrants (the "Class B Pre-Funded Warrants") to purchase an aggregate of 10,947,371 shares of our common stock at an offering price of $3.799 per Class B Pre-Funded Warrant in an underwritten public offering pursuant to a shelf registration on Form S-3.

Each Class B Pre-Funded Warrant entitles the holder to purchase one share of our common stock at an exercise price of $0.01 per share. The Class B Pre-Funded Warrants do not expire and may be exercised at any time after their original issuance.

Under the Class B Pre-Funded Warrants, we may not effect the exercise of any Class B Pre-Funded Warrant, and a holder will not be entitled to exercise any portion of any Class B Pre-Funded Warrant, which, upon giving effect to such exercise, would cause (i) the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99%, 9.99% or 19.99%, as applicable to the holder, of the number of shares of our common stock outstanding immediately after giving effect to the exercise, or (ii) the combined voting power of our securities beneficially owned by the holder of the Class B Pre-Funded Warrant (together with its affiliates) to exceed 4.99%, 9.99% or 19.99%, as applicable to the holder, of the combined voting power of all of our securities then outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the Class B Pre-Funded Warrants. However, any holder may increase or decrease such percentage to any other percentage upon at least 61 days' prior notice from the holder to us; provided, that a holder of a Class B Pre-Funded Warrants may not increase such percentage to a percentage in excess of 19.99%.The exercise price of the Class B Pre-Funded Warrants and the number of shares of our common stock issuable upon exercise of the Class B Pre-Funded Warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The Class B Pre-Funded Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction. The Class B Pre-Funded Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, there have been exercises of 2,800,000 shares underlying the Class B Pre-Funded Warrants, with 8,147,371 shares underlying the Class B Pre-Funded Warrants have not been exercised.

October 2021 Pre-Funded Warrants

In October 2021, we issued and sold pre-funded warrants (the "2021 Pre-Funded Warrants") to purchase an aggregate of 1,661,461 shares of our common stock at an offering price of $6.49 per 2021 Pre-Funded Warrant in an underwritten public offering pursuant to a shelf registration on Form S-3.

Each 2021 Pre-Funded Warrant entitles the holder to purchase one share of our common stock at an exercise price of $0.01 per share. The 2021 Pre-Funded Warrants do not expire and may be exercised at any time after their original issuance.

Under the 2021 Pre-Funded Warrants, we may not effect the exercise of any 2021 Pre-Funded Warrant, and a holder will not be entitled to exercise any portion of any 2021 Pre-Funded Warrant, which, upon giving effect to such exercise, would cause (i) the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99% or 19.99%, as applicable to the holder, of the number of shares of our common stock outstanding immediately after giving effect to the exercise, or (ii) the combined voting power of our securities beneficially owned by the holder of the 2021 Pre-Funded Warrant (together with its affiliates) to exceed 4.99% or 19.99%, as applicable to the holder, of the combined voting power of all of our securities then outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the 2021 Pre-Funded Warrants. However, any holder may increase or decrease such percentage to any other percentage upon at least 61 days' prior notice from the holder to us; provided, that a holder of a 2021 Pre-Funded Warrants may not increase such percentage to a percentage in excess of 19.99%.The exercise price of the 2021 Pre-Funded Warrants and the number of shares of our common stock issuable upon exercise of the 2021 Pre-Funded Warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The 2021 Pre-Funded Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction. The 2021 Pre-Funded Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, there have been exercises of 1,538,461 shares underlying the 2021 Pre-Funded Warrants, with 123,000 shares underlying the 2021 Pre-Funded Warrants have not been exercised.

Participating Warrants

In October 2020, we issued and sold 820,001 warrants (the "Participating Warrants"), and each 2020 Warrant entitles the holder to purchase 0.33 shares of our common stock at an exercise price of $19.50 per share of our common stock. Each 2020 Warrant is exercisable on or after October 9, 2020 and will expire on or prior to 5:00 p.m. (New York City time) on October 9, 2027. The 2020 Warrant were subsequently registered for resale by certain selling stockholders pursuant to a registration statement on Form S-3.

Under the Participating Warrants, we may not effect the exercise of any 2020 Warrant, and a holder will not be entitled to exercise any portion of any 2020 Warrant, which, upon giving effect to such exercise, would cause the aggregate number of shares of our common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99% or 19.99%, as applicable to the holder, of the number of shares of our common stock outstanding immediately after giving effect to the exercise. However, any holder may increase or decrease such percentage to any other percentage; provided, that a holder of 2020 Warrant may not increase such percentage to a percentage in excess of 9.99% of the number of shares of the common stock outstanding immediately after giving effect to the issuance of shares of common stock upon exercise of the 2020 Warrant held by the holder. Any increase in such percentage will not be effective until the 61st day after such notice is delivered to the company. The exercise price of the Participating Warrants and the number of shares of our common stock issuable upon exercise of the 2020 Warrant is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting our common stock and also upon any distributions of assets, including cash, stock or other property to our stockholders. The Participating Warrants also contain provisions that provide certain rights to holders in the event of a fundamental transaction, including a merger or consolidation with or into another entity, such as (i) the right to receive the same amount and kind of consideration paid to the holders of our common stock in the fundamental transaction and (ii) the right to require the company to repurchase the unexercised portion of certain warrants at the warrant's respective fair value using the Black Scholes option pricing formula. The Participating Warrants do not entitle the holders to any voting rights or any of the other rights or privileges to which holders of common stock are entitled.

As of September 13, 2024, we have 820,001 shares underlying the Participating Warrants outstanding, of which there have been no exercises.

Other Warrants

The Company has issued warrants in conjunction with debt and equity financings and for services from 2015 to 2019. Such warrants have various expiration dates and exercise prices.

Anti-Takeover Provisions

Provisions of the NRS, our Articles of Incorporation, and our Bylaws, as amended from time to time, could have the effect of delaying or preventing a third-party from acquiring us, even if the acquisition would benefit our stockholders. Such provisions of the NRS, our Articles of Incorporation, and our Bylaws are intended to enhance the likelihood of continuity and stability in the composition of our Board of Directors and in the policies formulated by the Board of Directors and to discourage certain types of transactions that may involve an actual or threatened change of control of our company. These provisions are designed to reduce our vulnerability to an unsolicited proposal for a takeover that does not contemplate the acquisition of all of our outstanding shares, or an unsolicited proposal for the restructuring or sale of all or part of our company.

Authorized but Unissued Shares

Our authorized but unissued shares of Common Stock are available for our Board of Directors to issue without stockholder approval, subject to the rules of any stock exchange upon which our securities are listed. We may use these additional shares for a variety of corporate purposes, including raising additional capital, corporate acquisitions and employee stock plans. The existence of our authorized but unissued shares of Common Stock could render it more

difficult or discourage an attempt to obtain control of our company by means of a proxy context, tender offer, merger or other transaction since our Board of Directors can issue large amounts of capital stock as part of a defense to a take-over challenge. In addition, we have authorized in our Articles of Incorporation 400,000 shares of preferred stock. Our board acting alone and without approval of our stockholders, subject to the rules of any stock exchange upon which our securities are listed, can designate and issue one or more series of preferred stock containing super-voting provisions, enhanced economic rights, rights to elect directors, or other dilutive features, that could be utilized as part of a defense to a take-over challenge.

Bylaws

In addition, various provisions of our Bylaws may also have an anti-takeover effect. These provisions may delay, defer or prevent a tender offer or takeover attempt of our company that a stockholder might consider in his or her best interest, including attempts that might result in a premium over the market price for the shares held by our stockholders. Our Bylaws contain limitations as to who may call special meetings as well as require advance notice of stockholder matters to be brought at a meeting. Additionally, our Bylaws also provide that subject to the rights of the holders of any series of preferred stock then outstanding, any director, or the entire Board of Directors, may be removed only for cause and only by the affirmative vote of the holders of at least eighty percent (80%) of the voting power of all of the then outstanding shares of our company then entitled to vote at an election of directors, voting together as a single class. Our Bylaws also reserve the exclusive right of the Board of Directors to establish the number of directors and fill any vacancies and newly created directorships. These provisions will prevent a stockholder from increasing the size of our Board of Directors and gaining control of our Board of Directors by filling the resulting vacancies with its own nominees.

Our Bylaws also establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to the Board of Directors. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the Board of Directors or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given us timely written notice, in proper form, of the stockholder's intention to bring that business before the meeting. Although our Bylaws do not give the Board of Directors the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, our Bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of our company.

Nevada Anti-Takeover Statutes

Business Combination Statute

We are subject to the "business combination" provisions of Sections 78.411 to 78.444 of the NRS. In general, such provisions prohibit a Nevada corporation with 200 or more stockholders from engaging in various "combination" transactions with any interested stockholder for a period of two years after the date of the transaction in which the person became an interested stockholder, unless the transaction is approved by the Board of Directors prior to the date the interested stockholder obtained such status or the combination is approved by the Board of Directors and thereafter is approved at a meeting of stockholders by the affirmative vote of stockholders representing at least 60% of the outstanding voting power held by disinterested stockholders, and extends beyond the expiration of the two-year period, unless (a) the transaction by which the person first became an interested stockholder was approved by the Board of Directors before the person became an interested stockholder; (b) the combination is later approved by a majority of the voting power held by disinterested stockholders; or (c) if the consideration to be paid by the interested stockholder is at least equal to the highest of: (i) the highest price per share paid by the interested stockholder within the two years immediately preceding the date of the announcement of the combination or in the transaction in which it became an interested stockholder, whichever is higher, or (ii) the market value per share of common stock on the date of announcement of the combination and the date the interested stockholder acquired the shares, whichever is higher.

A “combination” is generally defined to include mergers or consolidations or any sale, lease, exchange, mortgage, pledge, transfer, or other disposition, in one transaction or a series of transactions, with an “interested stockholder” or any affiliate or associate of an interested stockholder having: (a) an aggregate market value equal to more than 5% of the aggregate market value of the assets of the corporation, (b) an aggregate market value equal to more than 5% of the aggregate market value of all outstanding voting shares of the corporation, and (c) more than 10% of the earning power or net income of the corporation.

An “interested stockholder” is generally defined to mean a beneficial owner of at least 10% of the outstanding voting power or an affiliate or associate of the corporation that has been a 10% beneficial owner within the preceding 2 years. The statutes could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire our company even though such a transaction may offer our stockholders the opportunity to sell their stock at a price above the prevailing market price.

Acquisition of Controlling Interest Statute

Nevada’s Acquisition of Controlling Interest Statute (NRS Sections 78.378-78.3793) applies only to Nevada corporations with at least 200 stockholders, including at least 100 stockholders of record who are Nevada residents, which conduct business directly or indirectly in Nevada and whose articles of incorporation or bylaws in effect 10 days following the acquisition of a controlling interest by an acquiror do not prohibit its application. As of the date of this prospectus, we do not believe we have 100 stockholders of record who are residents of Nevada, although there can be no assurance that in the future the acquisition of controlling interest statutes will not apply to us.

Nevada’s Acquisition of Controlling Interest Statute, prohibits an acquiror, under certain circumstances, from voting shares of a target corporation’s stock after crossing certain threshold ownership percentages, unless the acquiror obtains the approval of the target corporation’s stockholders. The statute specifies three thresholds that constitute a controlling interest: (a) at least one-fifth but less than one-third; (b) at least one-third but less than a majority; and (c) a majority or more, of the outstanding voting power. Once an acquiror crosses one of these thresholds, shares which it acquired in the transaction exceeding the threshold (or within ninety days preceding the date thereof) become “control shares” which could be deprived of the right to vote until a majority of the disinterested stockholders restore that right.

A special stockholders meeting may be called at the request of the acquiror to consider the voting rights of the acquiror’s shares. If the acquiror requests a special meeting and gives an undertaking to pay the expenses of said meeting, then the meeting must take place no earlier than 30 days (unless the acquiror requests that the meeting be held sooner) and no more than 50 days (unless the acquiror agrees to a later date) after the delivery by the acquiror to the corporation of an information statement which sets forth the range of voting power that the acquiror has acquired or proposes to acquire and certain other information concerning the acquiror and the proposed control share acquisition.

If no such request for a stockholders meeting is made, consideration of the voting rights of the acquiror’s shares must be taken at the next special or annual stockholders meeting. If the stockholders fail to restore voting rights to the acquiror, or if the acquiror fails to timely deliver an information statement to the corporation, then the corporation may, if so provided in its articles of incorporation or bylaws, call certain of the acquiror’s shares for redemption at the average price paid for the control shares by the acquiror.

In the event the stockholders restore full voting rights to a holder of control shares that owns a majority of the voting stock, then all other stockholders who do not vote in favor of restoring voting rights to the control shares may demand payment for the “fair value” of their shares as determined by a court in dissenters rights proceeding pursuant to Chapter 92A of the NRS.

Limitation on Liability and Indemnification of Directors and Officers

Section 78.138 of the NRS provides that, unless the corporation’s articles of incorporation provide otherwise, a director or officer will not be individually liable unless the presumption that it is acting in good faith and on an informed basis with a view to the interests of the corporation has been rebutted, and it is proven that (i) the director’s

or officer's acts or omissions constituted a breach of his or her fiduciary duties, and (ii) such breach involved intentional misconduct, fraud, or a knowing violation of the law.

Section 78.7502 of the NRS provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he: (a) is not liable pursuant to NRS 78.138; or (b) acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the person is liable pursuant to NRS 78.138 or did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, or that, with respect to any criminal action or proceeding, he had reasonable cause to believe that his conduct was unlawful.

Section 78.7502 of the NRS also provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he: (a) as not liable pursuant to NRS 78.138; or (b) acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

Section 78.751 of the NRS provides that to the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, or in defense of any claim, issue or matter therein, the corporation shall indemnify him against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense.

Unless otherwise restricted by the articles of incorporation, bylaws, or an agreement made by the corporation, Section 78.751 of the NRS permits a Nevada company to indemnify its officers and directors against expenses incurred by them in defending a civil or criminal action, suit, or proceeding as they are incurred and in advance of final disposition thereof upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that the director or officer is not entitled to be indemnified by the corporation. The articles of incorporation, bylaws, or an agreement made by the corporation may require a corporation to advance such expenses upon receipt of such an undertaking. Section 78.751 of the NRS further permits a Nevada company to grant its directors and officers additional rights of indemnification under its articles of incorporation, bylaws, or other agreement; provided, however, that unless advanced or otherwise ordered by a court, indemnification may not be made to or on behalf of any director or officer finally adjudged by a court, after exhaustion of appeals, to be liable for intentional misconduct, fraud, or a knowing violation of law that was material to the cause of action.

Section 78.752 of the NRS provides that a Nevada company may purchase and maintain insurance or make other financial arrangements on behalf of any person who is or was a director, officer, employee, or agent of the company, or is or was serving at the request of the company as a director, officer, employee, or agent of another company, partnership, joint venture, trust, or other enterprise, for any liability asserted against him and liability and expenses incurred by him in his capacity as a director, officer, employee, or agent, or arising out of his status as such, whether or not the company has the authority to indemnify him against such liability and expenses.

Our Articles of Incorporation provides that an indemnitee shall also have the right to be paid by our company the expenses (including attorney's fees) incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if NRS requires, an advancement of expenses incurred by an indemnitee in his capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to our company of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses or otherwise.

In addition, we have entered into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us to indemnify our directors and executive officers for certain expenses, including attorneys' fees, judgments and fines incurred by a director or executive officer in any action or proceeding arising out of their services as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request.

We maintain a directors' and officers' insurance policy pursuant to which our directors and officers are insured against liability for actions taken in their capacities as directors and officers. We believe these provisions in the Articles of Incorporation and the Bylaws and these indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, or control persons, in the opinion of the United States Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Transfer Agent and Registrar

The transfer agent of our Common Stock is Issuer Direct Corporation. Their address is One Glenwood Avenue, Suite 1001, Raleigh, NC 27306.

Stock Exchange Listing

Our Common Stock is listed on The Nasdaq Capital Market under the symbol "RZLT".

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (this "*Agreement*") is entered into as of September 18, 2024 (the "*Effective Date*") by and between Daron Evans, ("*Employee*"), and Rezolute, Inc. (the "*Company*").

WHEREAS, the Company wishes to continue to employ Employee in accordance with the terms of this Agreement;

WHEREAS, Employee wishes to accept continued employment with the Company according to the terms of this Agreement; and

WHEREAS, this Agreement shall replace and supersede in its entirety any prior employment agreements or understandings between Employee and the Company including the agreement dated January 23, 2024 (the "*Prior Agreement*").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Employment. The Company hereby continues to employ Employee, and Employee hereby accepts continued employment by the Company, upon the terms and conditions set forth in this Agreement for the period beginning on the Effective Date and ending pursuant to the termination procedures described in Section 4(a) (the "*Employment Period*").

2. Position and Duties.

(a) During the Employment Period, Employee shall serve as the Chief Financial Officer, and in connection therewith Employee shall render services to the Company and have the responsibilities and authority which are consistent with Employee's position, subject to the power and authority of the officers and the Board of Directors of the Company (the "*Board*") to expand or limit such duties, responsibilities, functions and authority.

(b) Employee shall report to the Chief Executive Officer (or such other person as shall be designated by the Board). Employee shall perform Employee's duties and responsibilities to the best of Employee's abilities in a diligent, trustworthy, businesslike and efficient manner Employee shall devote Employee's full business time, energies and attention (except for permitted vacation periods and periods of illness or other temporary incapacity) to the business and affairs of the Company. However, Employee may seek approval for external obligations from the Board by disclosing such activities on the Conflict of Interest Disclosure form attached hereto as Exhibit A. So long as Employee is employed by the Company, Employee shall not, without the prior written consent of the Board, accept other employment or perform other services for compensation or that interfere with Employee's employment with the Company; *provided, however*, that Employee may serve as an officer or director of or otherwise participate in purely educational, welfare, social, religious and civic organizations so long as such activities are not in competition with the Company or do not interfere with Employee's ability to carry out Employee's duties under this Agreement.

(c) Employee shall comply with all lawful rules, policies, procedures, regulations and administrative directions now or hereafter reasonably established by the Board for employees of the Company.

(d) The Company shall have the right to assign Employee new duties and to change Employee's title subject to Section 4 of this Agreement.

3. Salary and Benefits.

(a) Salary. During the Employment Period, the Company shall pay Employee a base salary at the annual rate of $460,000 (effective September 15, 2024), payable in regular installments in accordance with the Company's usual payment practices subject to required withholdings and taxes (the "*Salary*"). Employee may receive increases in Employee's Salary to the extent such an increase is approved in the sole discretion of the Board.

(b) Bonus. During the Employment Period, Employee will be eligible to receive an annual performance bonus of up to Forty (40%) of Employee's base salary (the "Target Bonus"). Determination of the actual bonus amount shall be based on the Company's performance as well as Employee's individual performance for the year. Employee's discretionary bonus, if any, will be earned on December 31st of each calendar year. In order to remain eligible to receive an annual performance bonus, Employee must continue to be employed by the Company, in good standing, through the date that the bonus is earned. Notwithstanding anything herein to the contrary, subsequent to the approval of the board of directors, any bonus amount due to Employee will be paid on or before February 15th of the year following the date that the bonus was earned.

(c) Benefits. During the Employment Period, Employee shall be entitled to paid vacation (to be scheduled at times mutually agreeable to the Employee and to the needs of the business), paid holidays and to participate in all employee benefit plans of the Company, including without limitation all health insurance plans, retirement plans (including 401(k)), life insurance plans and other perquisite plans and programs (collectively, the "*Benefit Plans*") for which employees of Employee's rank in the Company are generally eligible, in each case consistent with the Company's then-current practice. The foregoing shall not be construed to require the Company to establish such Benefit Plans or to prevent the modification or termination of such Benefit Plans once established, and no such action or failure thereof shall affect this Agreement. Employee recognizes that the Company and its affiliates have the right, in their sole discretion, to amend, modify or terminate any Benefit Plans without creating any rights in Employee.

(d) Business Expenses. During the Employment Period, the Company shall reimburse Employee for all reasonable business expenses incurred by Employee in the course of performing Employee's duties under this Agreement; *provided* such expenses are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses. As a condition to being issued such reimbursements, Employee shall submit to the Company on a timely basis business expense reports, including substantiation in accordance with the Company's policy as in effect from time to time.

4. Employment Period.

(a) The Employment Period shall begin on the Effective Date and shall continue until Employee's employment hereunder is terminated in accordance with Section 4(b).

(b) The Employment Period and Employee's employment hereunder (i) shall terminate upon Employee's death or permanent disability or incapacity, (ii) may be terminated by the Company at any time with or without Cause (as defined in Section 4(g)), and (iii) may be terminated by Employee at any time with or without Good Reason (as defined in Section 4(h)).

(c) If Employee's employment hereunder is terminated by the Company for Cause or by Employee without Good Reason during the Employment Period, then Employee shall be entitled to receive only Employee's accrued, but unpaid Salary through the effective date of Employee's termination of employment (the "Termination Date"), any reimbursements owed for business expenses validly incurred on or prior to the Termination Date and reimbursable in accordance with Section 3(d), any earned but unpaid Bonuses or other incentive payments approved by the Board but not paid to Employee as of the Termination Date, and any accrued but unpaid benefits due and owing to Employee under the Benefit Plans (the "Accrued Obligations"). Board approval of the payment of Bonuses or other incentive payments as part of Accrued Obligations shall be subject to the Company's current financial condition as of the Termination Date.

(d) If Employee's employment hereunder is terminated without Cause by the Company during the Employment Period, then Employee shall be entitled to receive the Accrued Obligations and, provided Employee signs and does not revoke a general release of claims against the Company and its affiliates (through a form of release agreement substantially similar to that attached as Exhibit B, modified as necessary in the Company's sole reasonable discretion), and subject to Employee's compliance with each obligation pursuant to Section 5, Employee shall also be entitled to receive severance (*"Severance"*) comprised of (i) twelve (12) months' Salary, (ii) a pro-rata bonus payment equal to the pro-rata bonus amount of the Target Bonus earned as of the date of termination without Cause and (iii) 12 months of Employee's COBRA premiums, collectively payable in equal monthly installments following the Termination Date, and any granted but unvested stock options under any relevant Company Stock Option Plan or Agreement will have 12 months of accelerated vesting (meaning that any of Employee's granted but unvested stock options that would otherwise vest over the next 12 months after the termination without Cause will immediately vest) and will also have an exercise period of 6 months following Employee's termination without Cause. The exercise of vested options, including those vested under this Section 4(e), shall otherwise be governed by the applicable Stock Option Plan or Agreement.

(e) If, within 12 months of a Change in Control Event as defined in Section 4(i), Employee's employment hereunder is terminated (i) by the Company without Cause or (ii) by Employee with Good Reason, then Employee shall be entitled to receive the Accrued Obligations and, provided Employee signs and does not revoke a general release of claims against the Company and its affiliates (through a form of release agreement substantially similar to that attached as Exhibit B, modified as necessary in the Company's sole reasonable discretion), and subject to Employee's compliance with each post-employment obligation under this Agreement, Employee shall also be entitled to receive severance ("*Severance"*) comprised of (i) 18 months' Salary, (ii) a pro-rata bonus payment equal to the pro-rata bonus amount earned as of the date of termination

without Cause and (iii) 18 months of Employee's COBRA premiums, collectively payable in equal monthly installments following the Termination Date, and all of Employee's granted but unvested stock options under any relevant Company Stock Option Plan or Agreement will immediately vest and will also have an exercise period of 6 months following Employee's termination without Cause, provided that before the Employee may terminate employment for Good Reason, the Company must fail to cure within the thirty day period provided in Section 4(h). The exercise of vested options, including those vested under this Section 4(e), shall be governed by the applicable Stock Option Plan or Agreement.

(f) If Employee's employment hereunder is terminated as a result of Employee's death, permanent disability or incapacity during the Employment Period, Employee or Employee's representatives or beneficiaries shall be entitled to receive only the Accrued Obligations and any rights to continuation of coverage and to benefits under any Benefit Plans required under applicable law.

(g) For purposes of the Agreement, "*Cause*" shall mean Employee's (i) commission or conviction of or entering a guilty plea or plea of no contest to any felony or any crime involving moral turpitude, dishonesty, fraud, misrepresentation, embezzlement, theft or sexual harassment, (ii) failure to perform the duties required of Employee by this Agreement, (iii) breach of this Agreement (or any other agreement entered into between Employee and the Company), (iv) dishonesty, fraud or misconduct with respect to the business or affairs of the Company or its affiliates, or any act of embezzlement or other misappropriation, (v) participation in any fraud or dishonesty against or affecting the Company or any subsidiary, affiliate, customer, supplier, client, agent, or employee thereof, (vi) breach of any fiduciary or similar duty owned to the Company or its affiliates, (vii) refusal to carry out the legitimate directives or instructions of the Board (or such other person to whom Employee reports as may be designated from time to time by the Board), or (viii) other act that the Company reasonably determines constitutes misconduct materially detrimental to the Company or any subsidiary, affiliate, customer, supplier, client, agent, or employee thereof, including, but not limited to, unethical practices, dishonesty, disloyalty, or any other acts harmful to the Company.

(h) For purposes of this Agreement, "*Good Reason*" shall mean Employee's resignation following the initial occurrence (without Employee's consent) of any of the following, provided Employee has provided the Company with written notice setting forth in reasonable detail the grounds for such resignation within 15 days following such initial occurrence, and provided further the Company has failed to remedy the stated grounds for such resignation within 30 days following its receipt of such notice: (i) the Company substantially reduces Employee's duties, authority or responsibilities; (ii) the Company substantially reduces the aggregate value of Employee's Salary or the benefits provided to Employee under the Benefit Plans; (iii) the Company requires that the Employee be based at any office or geographic location more than 75 miles from the Employee's primary work location; or (iv) any other action or inaction that constitutes a material breach of this Agreement by the Company. A resignation with Good Reason may occur only within 60 days following the expiration of the Company's 30 day cure period described above.

(i) For purposes of this Agreement, "Change in Control Event" shall mean either the following: (i) sale of substantially all the Company's assets or (ii) merger, consolidation

or reorganization resulting in a change in more than 50% of the board of directors combined with a transfer of majority ownership or equity of the Company.

(j) For purposes of this Agreement, Employee's permanent disability or incapacity shall be determined in accordance with the Company's long-term disability insurance policy, if such a policy is then in effect, or, if no such policy is then in effect, then such permanent disability or incapacity shall be deemed to have occurred upon Employee's inability to perform the essential functions of the position set forth in Section 2(a), after reasonable accommodation by the Company, for a period of at least 180 days, in the aggregate, during any period of 365 calendar days, unless further time is required as a reasonable accommodation under the Americans with Disabilities Act.

5. Confidentiality.

(a) Employee will not at any time (whether during or after Employee's employment with the Company) (x) retain or use for the benefit, purposes or account of Employee or any other person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any person outside the Company (other than its professional advisers who are bound by confidentiality obligations), any non-public, proprietary or confidential information including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals-concerning the past, current or future business, activities and operations of the Company, its subsidiaries or affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("*Confidential Information*") without the prior written authorization of the Board; *provided*, that Employee may disclose such information to Employee's legal and/or financial advisor for the limited purpose of enforcing Employee's rights under this Agreement so long as Employee requires that such legal and/or financial advisors not disclose such information and Employee shall be liable for any disclosure by such legal and/or financial advisors.

(b) Confidential Information shall not include any information that is: (i) generally known to the industry or the public other than as a result of Employee's breach of this covenant or any breach of other confidentiality obligations by third parties; (ii) made legitimately available to Employee by a third party without breach of any confidentiality obligation; or (iii) required by applicable law to be disclosed; *provided* that Employee shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment.

(c) Employee acknowledges, agrees, and understands that (1) nothing in this Agreement prohibits Employee from reporting to any governmental authority or attorney information concerning suspected violations of law or regulation, provided that Employee does so consistent with 18 U.S.C. 1833, and (2) Employee may disclose trade secret information to a government official or to an attorney and use it in certain court proceedings without fear of prosecution or liability, provided that Employee does so consistent with 18 U.S.C. 1833.

(d) Except as required by applicable law, Employee will not disclose to anyone, other than Employee's spouse, legal or financial advisors or members of the Company's senior management, the existence or contents of this Agreement.

(e) Upon termination of Employee's employment with the Company for any reason, Employee shall: (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including, without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its subsidiaries or affiliates; (y) immediately return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Employee's possession or control (including any of the foregoing stored or located in Employee's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information or otherwise relate to the business of the Company, its affiliates and subsidiaries, except that Employee may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information or are not related to the Company's business; and (z) notify and fully cooperate with the Company regarding the delivery of any other Confidential Information of which Employee is or becomes aware.

6. Intellectual Property.

(a) If Employee has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including, without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content or audiovisual materials) ("*Works*"), either alone or with third parties, prior to execution of this Agreement, that are relevant to or implicated by this employment ("*Prior Works*"), Employee hereby grants the Company a perpetual, non exclusive, royalty-free, worldwide, assignable, sub-licensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business. Employee shall provide the Company with a list of all Prior Works within 15 days of the Effective Date.

(b) If Employee creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during Employee's employment by the Company and within the scope of such employment and/or with the use of any Company resources ("*Company Works*"), Employee shall promptly and fully disclose the same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(c) Employee agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company at all times.

(d) Employee shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason to secure Employee's signature on any document for this purpose, then Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney in fact, to act for and in Employee's behalf and stead to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

(e) Employee shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without prior written permission of such third party. Employee shall comply with all relevant policies and guidelines of the Company regarding the protection of confidential information and intellectual property and potential conflicts of interest. Employee acknowledges that the Company may amend any such policies and guidelines from time to time, and that Employee remains at all times bound by their most current version that has been communicated to Employee.

(f) In accordance with Sections 2870 and 2872 of the California Labor Code, this Section 6 does not require Employee to assign or offer to assign to the Company any Works that Employee developed entirely on his or her own time without using the Company's equipment, supplies, facilities or trade secret information, except for those inventions that either (i) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company, or (ii) result from any work performed by Employee for the Company. To the extent a provision in this Agreement purports to require Employee to assign any Works otherwise excluded from being required to be assigned pursuant to this Section 6(f), the provision is against the public policy of the State of California and is unenforceable. Employee bears the burden of proving that any Works created by Employee should be excluded pursuant to this Section 6(f).

7. Enforcement. If, at the time of enforcement of Section 5 or Section 6, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period or scope reasonable under such circumstances shall be substituted for the stated period or scope. It is specifically understood and agreed that any breach of the provisions of Section 5 or Section 6 are likely to result in irreparable injury to the Company and the parties hereto agree that money damages would be an inadequate remedy for any such breach. Therefore, in the event of a breach or threatened breach of Section 5 or Section 6, the Company or its successors or assigns shall, in addition to other rights and remedies existing in their favor, be entitled to specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, Section 5 or Section 6.

8. Return of Company Property. At the termination of the Employment Period and at any other time upon the request of the Company, Employee shall deliver to the Company any and all of the Company's documents, plans, records, computer tapes, software, drawings, notes, memoranda, specifications, devices (including, without limitation, any cellular phone or

computer), and formulas relating to the Company's business, together with all copies thereof, which is in the possession of Employee.

9. Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by Employee and the Company and their respective heirs, successors and permitted assigns. Neither party may assign any of its rights or assign or delegate any of its obligations hereunder without the prior written consent of the other party hereto; *provided, however*, that the Company shall be permitted to assign this Agreement to any successor to all or substantially all of its assets that agrees in writing to assume all of the Company's obligations hereunder.

10. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) on the date established by the sender as having been delivered personally, (b) on the date delivered by a private courier as established by the sender by evidence obtained from such courier, (c) on the date sent by facsimile or e-mail transmission (with acknowledgement of complete transmission), or (d) on the fifth day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Notices, demands or communications to any party hereto will, unless another address is specified in writing pursuant to this Section 10, be sent to the addresses on file with the Company.

11. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be valid under applicable law; but, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but except as otherwise set forth in this Agreement, this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement embodies the complete agreement and understanding between the parties with respect to Employee's employment with the Company and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to Employee's employment with the Company in any way, excluding any Prior Agreement as defined above.

13. Signatures; Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. For purposes hereof, a facsimile signature, portable document format (.pdf) signature or signature sent by electronic transmission will be considered an original signature.

14. Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the internal laws of the State of California, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of California or any other jurisdiction).

15. Survival. The provisions of Section 5, Section 6, Section 7, Section 8, Section 9, Section 10, Section 11, Section 12, Section 14, this Section 15, Section 17, Section 18, Section 20, Section 21, and Section 22 shall survive the termination of Employee's employment and the termination of this Agreement for any reason.

16. Tax Withholdings. The Company shall deduct or withhold from any amounts owing from the Company to Employee any federal, state, local or foreign withholding taxes, excise tax, or employment taxes imposed with respect to Employee's compensation or other payments from the Company or Employee's ownership interest in the Company, if any (including, without limitation, wages, bonuses, dividends, the receipt or exercise of equity options and/or the receipt or vesting of restricted equity).

17. Headings; No Strict Construction. The headings of the paragraphs and sections of this Agreement are inserted for convenience only and shall not be deemed a part of or affect the construction or interpretation of any provision hereof. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

18. Employee's Cooperation. During the Employment Period and thereafter, Employee shall, subject to the Company reimbursing Employee for out-of-pocket expenses, cooperate with the Company in any internal investigation or administrative, regulatory or judicial proceeding as reasonably requested by the Company (including, without limitation, Employee being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into Employee's possession, all at times and on schedules that are reasonably consistent with Employee's other permitted activities and commitments).

19. Corporate Opportunity. During the Employment Period, Employee shall submit to the Board all business, commercial and investment opportunities or offers presented to Employee or of which Employee becomes aware which relate to the business of the Company at any time during the Employment Period ("*Corporate Opportunities*"). Unless approved by the Board, Employee shall not accept or pursue, directly or indirectly, any Corporate Opportunities on Employee's own behalf.

20. Section 409A Compliance. The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "*Code Section 409A*") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on Employee by Code Section 409A or damages for failing to comply with Code Section 409A. Notwithstanding anything herein to the contrary, a termination

of employment shall be deemed to have occurred at the time such termination constitutes a "separation from service" within the meaning of Code Section 409A for purposes of any provision of this Agreement providing for the payment of any amounts or benefits in connection with a termination of employment and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean a "separation from service." Notwithstanding any other provision to the contrary, in no event shall any payment under this Agreement that constitutes "deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

21. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Employee, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

22. Read and Understood. Employee has read this Agreement carefully and understands each of its terms and conditions. Employee has sought independent legal counsel of Employee's choice to the extent Employee deemed such advice necessary in connection with the review and execution of this Agreement.

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

The Company:

Rezolute, Inc.

By: _____
Nevan Elam
CEO

Employee:

_____
Daron Evans

EXHIBIT A

CONFLICT OF INTEREST
ACKNOWLEDGEMENT/DISCLOSURE FORM

1 **CONFLICTING ORGANIZATIONS**

I am a director, trustee, officer, representative of, or have a financial or beneficial interest in the following organizations that have or may have a conflict with the interests of the Company:

Organization and Title or Interest:

_____

_____

2 **CONFLICTING ACTIVITIES/OBLIGATIONS**

I am involved in no activity or transaction, nor am I a party to any contract involving interests that are or could be found to be adverse to the Company, except for the following:

_____

_____

3 **CONFLICTING BUSINESS OPPORTUNITIES/COMMITMENTS**

I have not committed to, nor am I pursuing, any business opportunity that does or might adversely affect the Company, except for the following:

_____

_____

4 **OTHER POTENTIAL CONFLICTS**

Any other concerns I may have regarding actual or potential conflicts of interest are listed below:

_____

_____

To the best of my knowledge, I have accurately answered the above questions.

_____ _____

Signature Date

EXHIBIT B

SEPARATION AGREEMENT AND GENERAL RELEASE OF CLAIMS

This is a Separation Agreement and General Release of Claims ("**Agreement**") dated as of **[INSERT DATE]** between Rezolute, Inc. (the "**Company**"), and Daron Evans ("**Employee**"). Employee and the Company are referenced together herein as the "**Parties**."

RECITALS

A. WHEREAS, Employee's employment or other relationships with any of the Company Releasees (as defined below) will separate effective **[INSERT DATE]** ("**Separation Date**").

B. Though this Agreement, Employee and Company mutually desire to settle all claims Employee has or might have against the Company through the date of execution hereof, including but not limited to those arising out of or relating to Employee's prior service to the Company, and/or any Company Releasee, and/or the termination thereof.

TERMS AND SETTLEMENT

1. Effective Date. This Agreement shall become effective eight (8) days after the later of a) the Separation Date, or b) the date of signature date of this Agreement, if signed after the Separation date ("**Effective Date**").

2. No Admission of Liability. None of the Parties, by entering into and fulfilling this Agreement, admit to any wrongdoing or liability, and each party denies any allegation of wrongdoing. The Parties intend, by their actions pursuant to this Agreement, merely to avoid the expense, delay, uncertainty, and burden of potential litigation.

3. Consideration by the Company. In consideration for Employee's promises made herein, the Company agrees to the following, which Employee acknowledges and agrees is full and adequate consideration for Employee's execution of this Agreement:

3.1. Severance. Provided that Employee meets all of Employee's promises and obligations under this Agreement, including signing, and not revoking, the release of claims under the ADEA, the Company will pay Employee the gross amount of **$[INSERT AMOUNT OF SEVERANCE]**, less all applicable withholdings and deductions, which amount shall be paid to Employee in 12 equal monthly payments of **$[INSERT AMOUNT],** less applicable taxes and withholding beginning on the first regular payroll date after the Effective Date. Furthermore, **[INSERT APPROPRIATE STOCK VESTING TERMS]**.

Employee agrees and acknowledges that Employee would have no right to the severance benefits provided by this Agreement but for Employee's execution and compliance with the terms of this Agreement, and that such severance includes all severance due and owing to Employee under the terms of Employee's **[INSERT DATE]** Amended and Restated Employment Agreement.

4. Entire Consideration. Employee agrees that the consideration set forth in Paragraph 3 and its subparts shall constitute the entire consideration provided in return for Employee's promises and agreements herein, and that Employee will not seek any further remuneration or payment from the Company for wage, damage, interest, penalty, expense, action, attorneys' fees or cost, either individually or as part of a class, in connection with the matters encompassed by the Agreement and/or arising out of Employee's services to the Company and/or the termination thereof.

5. Taxes. Employee shall pay in full and be solely responsible for all taxes, interest or penalties relating to the consideration, and agrees to indemnify the Company against any assessment, and is not relying on any representations by the Company on this subject matter.

6. Return of the Company's Property. Employee represents that as of the Separation Date, Employee has returned any and all confidential and/or proprietary information of the Company (including but not limited to those of its clients and prospective clients) and other property of the Company in Employee's possession. Such property includes, but is not limited to, all tangible and intangible property belonging to the Company and relating to Employee's services to the Company, including computer/network password(s). By executing this Agreement, Employee represents and warrants that Employee has not retained any copies, electronic or otherwise, of such property.

7. Payment of Salary. Employee acknowledges and represents that the Company has paid all salary, wages, bonuses, accrued vacation/paid time off, housing allowances, relocation costs, interest, severance, outplacement costs, fees, stock, stock options, vesting, commissions and any and all other benefits and compensation due to Employee, provided that the foregoing shall not relieve the Company of its obligation to pay Employee's earned and unpaid salary through the Separation Date. Such amounts are not consideration for this Agreement.

8. Release of Claims. In consideration for the promises set forth in this Agreement, Employee does hereby — for Employee and for Employee's heirs, spouse, representatives, attorneys, executors, administrators, successors, relatives and assigns — release the Company and all of its current and former corporate subsidiaries, brother/sister companies, affiliates, partners, predecessors, successors and assigns, and all of their current and former owners, directors, officers, supervisors or managers, employees, agents, representatives, and attorneys and all persons acting under, by, through, or in concert with any of them (collectively "**Company Releasees**"), from any and all claims, debts, liabilities, demands, obligations, liens, promises, acts, agreements, costs and expenses (including but not limited to attorneys' fees), damages, of whatever kind or nature, including but not limited to any statutory, civil, administrative, or common law claims, whether known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, arising out of any act or omission occurring before the Effective Date of this Agreement, including but not limited to any claims based on, arising out of, or related to Employee's employment with Company or the termination thereof, any claims for any alleged physical or emotional injuries, and/or any claims arising from rights under federal, state, and/or local laws relating to the regulation of federal or state tax payments or accounting; federal, state or local laws that prohibit harassment, discrimination or retaliation on the basis of race, national origin, age, religion, sex, gender, age, marital status, bankruptcy status, disability, perceived disability, ancestry, sexual orientation, family and medical leave, or any other form of harassment, discrimination, or retaliation; statutory or common law claims of any kind, including but not limited to:

a. Title VII of the Civil Rights Act of 1964, the Americans with Disability Act of 1990, as amended, the California Family Rights Act (Cal. Govt. Code § 12945.2 et seq.), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 et. seq.);

b. California Labor Code, including for penalties under Labor Code § 2699, et. seq., and the Fair Labor Standards Act, the Employee Retirement Income Security Act of 1971, as amended;

c. Any statutory provision regarding retaliation/discrimination including retaliation prohibited by Labor Code §§ 1102.5, 232.5, and 132(a), the Occupational Safety and Health Act, as amended, the Sarbanes-Oxley Act of 2002;

d. Contract, tort, and property rights, breach of contract, breach of implied-in-fact contract, breach of the implied covenant of good faith and fair dealing, tortious interference with contract or current or prospective economic advantage, fraud, deceit, invasion of privacy, unfair competition, misrepresentation, defamation, wrongful termination, tortious infliction of emotional distress (whether intentional or negligent), breach of fiduciary duty, violation of public policy, or any other common law claim of any kind whatsoever; any claim for damages or declaratory or injunctive relief of any kind;

e. The federal Fair Credit Reporting Act and California Investigative Consumer Reporting Agencies Act;

f. Any common law claims whatsoever, claims for equity, stock options or any other benefits; and

g. Any amounts allegedly due as wages, benefits, penalties or damages as a result of the employment relationship.

Nothing in this Agreement shall be construed to prohibit Employee from filing a charge or complaint, including a challenge to the validity of the waiver provision of this Agreement, with a government agency, including the National Labor Relations Board or the Equal Employment Opportunity Commission. However, Employee agrees he or she is waiving the right to monetary damages or other equitable or monetary relief as a result of such proceedings. Nothing in this agreement prohibits Employee from seeking a whistleblower award pursuant to Section 21F of the Securities Exchange Act.

9. No Worker's Compensation Pending. Employee expressly represents and warrants that Employee has not suffered any workplace injury during Employee's performance of services for the Company, and has not filed, and has no intention of filing and/or pursuing any claim for workers' compensation benefits against the Company. The Company expressly relies on Employee's representation as a material inducement to enter into this Agreement.

10. Civil Code Section 1542. In furtherance of this settlement, Employee expressly waives any rights Employee may have under California Civil Code Section 1542, or other state's similar statutes. Section 1542 provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

11. ADEA Release. Employee specifically agrees and acknowledges:

a. That Employee's waiver of rights under this Agreement includes a release of all claims relating to Employee's age and is knowing and voluntary as required under the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq. ("ADEA") and the Older Workers Benefit Protection Act ("OWPA");

b. That Employee understands the terms of this Agreement;

c. That Employee has been advised to consult with an attorney prior to executing this Agreement;

d. That Employee's waiver under this Agreement is in exchange for consideration which Employee is not otherwise entitled to;

e. That the Company has given Employee a period of up to twenty-one (21) days within which to consider this Agreement;

f. That, following Employee's execution of this Agreement, Employee has seven (7) days in which to revoke Employee's agreement to this Agreement by notifying the Company in writing and that, if Employee chooses not to so revoke, the Agreement shall then become effective and enforceable and the payment listed above shall then be made to Employee in accordance with the terms of this Agreement;

g. This Agreement does not release ADEA and OWPA claims occurring after the date of signing.

12. No Filings and Covenant Not to Sue. A "covenant not to sue" is a legal term that means a person promises not to file a lawsuit or other legal proceeding. It is different from the release of claims contained above. Besides waiving and releasing the claims above, Employee promises never to file or prosecute any legal claim of any kind against any of the Company Releasees identified in Paragraph 8 in any forum for any reason based on any act, omission, event, occurrence, or nonoccurrence, from the beginning of time to the Effective Date, including but not limited to claims, laws or theories covered by the General Release. Excluded from this covenant not to sue (which means that Employee still may file certain charges) is the right to file charges with, or assist/participate in an investigation conducted by, any agency that expressly prohibits

waiver of such rights, such as the U.S. Equal Employment Opportunity Commission. Employee understands and agrees that Employee is waiving, however, any right to monetary recovery, including but not limited to compensatory or punitive damages, attorneys' fees or costs, or other damages or recovery should such an agency, or any other person, entity or group, pursue any claim on Employee's behalf. Employee represents that, as of the date Employee executes this Agreement, Employee has not filed or caused to be filed any claims against any of the Company Releasees. Nothing in this agreement prohibits Employee from seeking a whistleblower award pursuant to Section 21F of the Securities Exchange Act.

13. Confidentiality. Employee agrees that Employee will not disclose the terms of this Agreement to any individual or entity, except to Employee's spouse, attorney, tax consultant, accountant, state and federal tax authorities, or as required by law. Employee also agrees to abide by the continuing obligations in any confidentiality, nondisclosure, or arbitration agreements executed during his or her employment, and specifically agrees to hold in the strictest confidence, and not to use or to disclose, to any person, firm or corporation, any non-public information that relates to the actual or anticipated business, research or development of the Company, or to the Company's technical data, trade secrets or know-how, including, but not limited to, research, product plans or other information regarding the Company's products or services and markets therefor, customer lists and customers, suppliers and vendors, software, developments, inventions, processes, formulas, technology, prototypes, designs, sketches, drawings, engineering, hardware configuration information, marketing plans, finances, pilot projects, and other business information ("**Company Confidential Information**"). Company Confidential Information does not include any of the foregoing items to the extent the same have become publicly known and made generally available through no wrongful act of Employee or others. Notwithstanding any other provision in this Agreement, nothing in this agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful.

14. Cooperation. Employee agrees to reasonably cooperate with the Company's reasonable requests for information after the Separation Date (including in connection with any pending litigation, arbitration, or other legal dispute which may relate to Employee's job duties or tasks during his employment). The Company will only make such requests when it deems necessary, and when the information sought is not otherwise available within the Company.

15. No Attorneys' Fees and Costs. The Parties agree that they shall bear their own respective costs and fees, including attorneys' fees, in the negotiation and execution of this Agreement.

16. Full and Independent Knowledge. The Parties represent that they have thoroughly discussed all aspects of this Agreement with their respective attorneys (or have been provided the right to do so), fully understand all of the provisions of the Agreement, and are voluntarily and knowingly entering into this Agreement.

17. Ownership of Actions. Employee has not transferred or assigned, or purported to transfer or assign, to any person or entity, any action described in this Agreement. Employee further agrees to indemnify and hold harmless each and all of the Company Releasees against any and all actions based upon, arising out of, or in any way connected with any such actual or purported transfer or assignment.

18. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California applicable to contracts made and to be performed entirely within California.

19. Severability. Should any provision in this Agreement be determined to be invalid, the validity of the remaining provisions shall not be affected thereby, and the invalid provision shall be deemed not to be part of this Agreement, and all remaining provisions shall remain valid and enforceable.

20. Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any prior agreements between the Parties pertaining to the subject matter of this Agreement.

21. No Representations. The Parties acknowledge that, except as expressly set forth herein, no representations of any kind or character have been made by any other Party or that Party's agents, representatives, or attorneys to induce the execution of this Agreement. It is further understood and agreed that Employee has not relied upon any advice whatsoever from the Company or its counsel.

22. No Modification or Waiver. No modification or waiver of the terms of this Agreement shall be effective unless it appears in a writing signed by all Parties to this Agreement.

23. Interpretation of Agreement. The language of all parts in this Agreement shall be construed as a whole, according to fair meaning, and not strictly for or against any party. The headings provided in underline are inserted for the convenience of the Parties and shall not be construed to limit or modify the text of this Agreement.

24. Successors. This Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, successors, and assigns, and shall inure to the benefit of each and all of the Company Releasees, and to their heirs, representatives, executors, administrators, successors, and assignees.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Furthermore, signatures delivered via facsimile transmission or portable document format (PDF) shall have the same force effect as the originals thereof, except that any Party has the right to insist on receipt of the original signature of the other Party before complying with its own obligations under this Agreement.

26. Notification. Notice to be given under this Agreement shall be sent to the Company care of Human Resources and to Employee at the addresses listed on the signature page hereto.

THE UNDERSIGNED STATE THAT THEY HAVE CAREFULLY READ THE AGREEMENT, HAVE BEEN ADVISED OF THEIR RIGHT TO CONSULT WITH COUNSEL CONCERNING THIS AGREEMENT, AND KNOW AND UNDERSTAND ITS CONTENTS.

AGREEING PARTIES

Dated: _____

Daron Evans

Address:_____

Dated: _____

Rezolute, Inc.

Sign:_____

[COMPANY SIGNATORY]

SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT (this "Agreement") is made as of June 27, 2024, by and among Rezolute, Inc., a Nevada corporation (the "Company"), and each of those persons and entities, severally and not jointly, identified as a Purchaser on the Schedule of Purchasers attached as Exhibit A hereto (the "Schedule of Purchasers"). Such persons and entities together with their permitted successors and assigns, are referred to collectively as the "Purchasers" and each individually as a "Purchaser". The Company and the Purchasers may each be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. The Parties are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act") and the provisions of Regulation D ("Regulation D") or other applicable exemptions from registration, as promulgated by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Act.

B. The Purchasers wish to purchase, severally but not jointly, from the Company, and the Company wishes to sell and issue to the Purchasers, upon the terms and conditions stated in this Agreement, 1,250,000 shares of the Company's common stock, par value $0.001 per share (the "Common Stock") for an aggregate purchase price of $5,000,000 (the "Shares"), with Jefferies LLC and Cantor Fitzgerald & Co. acting as placement agents (the "Placement Agents")

C. Contemporaneously with the execution and delivery of this Agreement, the Parties will execute and deliver a Registration Rights Agreement, in the form attached hereto as Exhibit B (the "Registration Rights Agreement"), pursuant to which the Company agrees to provide certain registration rights with respect to the Shares under the Securities Act and applicable state securities Laws.

In consideration of the mutual promises made herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. In addition to those terms defined elsewhere in this Agreement, for the purposes of this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlled by, controlling or under common control with, the Person, but only for so long as such control shall continue.

"Business Day" means any day, other than a Saturday or Sunday, on which banks in New York City are open for the general transaction of business.

"Closing Date" means the Trading Day when all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all of the conditions set forth in Section 6.1 and Section 6.2 hereof are satisfied or waived by the Required Purchasers, as the case may be, or such other date as the Company and the Required Purchasers may agree.

"Company Counsel" means Dorsey & Whitney LLP, with offices located at 1400 Wewatta Street, Suite 400, Denver, CO 80202-5549.

"Company Intellectual Property Counsel" means Marshall, Gerstein & Borun LLP and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

"Company's Knowledge" means with respect to any statement made to the knowledge of the Company, that the statement is based upon the actual knowledge of the officers of the Company who, as of the date hereof, have responsibility for the matter or matters that are the subject of the statement, and the knowledge that each such person would have reasonably obtained in the performance of each such person's duties as an officer of the Company.

"Contract" means any written agreement, contract, subcontract, lease, understanding, arrangement, instrument, note, option, warranty, purchase order, license, sublicense, insurance policy, benefit plan or legally binding commitment or undertaking of any nature.

"Control" (including the terms "controlling," "controlled by" or "under common control with") means the possession, direct or indirect, of (a) the power to direct or cause direction of the management and policies of a Person (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), or (b) at least 50% of the voting securities (whether directly or pursuant to any option, warrant or other similar arrangement) or other comparable equity interests.

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

"Insider" means each director, executive officer, other officer of the Company participating in the offering, any beneficial owner of twenty percent (20%) or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, and any promoter connected with the Company in any capacity on the date hereof.

"Law" or "Laws" means any federal, state, local, municipal, foreign or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental authority.

"Order" means any order, writ, injunction, judgment or decree.

"Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

"Registration Statement" has the meaning set forth in the Registration Rights Agreement.

"Required Purchasers" means the Purchasers beneficially owning (calculated in accordance with Rule 13d-3 under the Exchange Act) a majority of the aggregate outstanding Shares.

"Securities Act" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Share Purchase Price" means $4.00 per Share.

"Subscription Amount" means, with respect to each Purchaser, the aggregate amount to be paid for the Shares purchased by such Purchaser hereunder as indicated on such Purchaser's signature page hereto next to the heading "Aggregate Purchase Price (Subscription Amount)" in United States dollars.

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

"Transaction Documents" means this Agreement and the Registration Rights Agreement.

2. Purchase and Sale of the Shares. Subject to the terms and conditions of this Agreement, at the Closing, each Purchaser shall severally, and not jointly, purchase, and the Company shall sell and issue to such Purchaser, such number of Shares described in the Schedule of Purchasers attached as Exhibit C hereto, equal to the quotient resulting from dividing (i) the Subscription Amount for such Purchaser by (ii) the Purchase Price, rounded down to the nearest whole Share.

3. Closing. The closing of the issuance and sale of the Shares (the "Closing") shall occur remotely via the exchange of documents and signatures on the Closing Date. At the Closing, each Purchaser shall deliver or cause to be delivered to the Company the Subscription Amount for such Purchaser, via wire transfer of immediately available funds pursuant to the wire instructions delivered to such Purchaser by the Company prior to the Closing. Promptly after the Closing, the Company shall deliver to each Purchaser the uncertificated Shares registered in the name of such Purchaser.

4. Representations and Warranties of the Company. The Company hereby represents and warrants to the Purchasers that, except as disclosed to the Purchasers or in the SEC Filings (as defined below), as of the date hereof and as of the Closing Date as follows:

4.1. Incorporation and Good Standing of the Company. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation and has the corporate power and authority to own, lease and operate its properties and to conduct its business as disclosed to the Purchasers and/or described in the SEC filings and to enter into and perform its obligations under this Agreement. The Company is duly qualified as a foreign corporation to transact business and is in good standing in the State of

Nevada and each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business.

4.2. Subsidiaries. Each of the Company's "subsidiaries" (for purposes of this Agreement, as defined in Rule 405 under the Securities Act) has been duly incorporated or organized, as the case may be, and is validly existing as a corporation, partnership or limited liability company, as applicable, in good standing under the laws of the jurisdiction of its incorporation or organization and has the power and authority (corporate or other) to own, lease and operate its properties and to conduct its business as described in the SEC Filings. Each of the Company's subsidiaries is duly qualified as a foreign corporation, partnership or limited liability company, as applicable, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business. All of the issued and outstanding capital stock or other equity or ownership interests of each of the Company's subsidiaries have been duly authorized and validly issued, are fully paid and nonassessable and are owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance or adverse claim. None of the outstanding capital stock or equity interest in any subsidiary was issued in violation of preemptive or similar rights of any security holder of such subsidiary. The constitutive or organizational documents of each of the subsidiaries comply in all material respects with the requirements of applicable laws of its jurisdiction of incorporation or organization and are in full force and effect. The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023.

4.3. Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required. Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws, partnership agreement or operating agreement or similar organizational documents, as applicable, or is in default (or, with the giving of notice or lapse of time, would be in default) ("Default") under any indenture, loan, credit agreement, note, lease, license agreement, contract, franchise or other instrument (including, without limitation, any pledge agreement, security agreement, mortgage or other instrument or agreement evidencing, guaranteeing, securing or relating to indebtedness) to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of their respective properties or assets are subject (each, an "Existing Instrument"), except for such Defaults as could not be expected, individually or in the aggregate, to result in a Material Adverse Change (as defined below). The Company's execution, delivery and performance of this Agreement and the Shares, consummation of the transactions contemplated hereby and the issuance and sale of the Shares (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the charter or by-laws, partnership agreement or operating agreement or similar organizational documents, as applicable, of the Company or any subsidiary (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, or require the consent of any other party to, any Existing Instrument and (iii) will not result in any violation of any law, administrative regulation or administrative or court decree applicable to the Company or any of its subsidiaries. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency, is required for the Company's execution, delivery

and performance of this Agreement, and consummation of the transactions contemplated hereby. As used herein, a "Debt Repayment Triggering Event" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries

4.4. Capitalization and Other Capital Stock Matters. The authorized, issued and outstanding capital stock of the Company is as disclosed to the Purchasers and/or set forth in the SEC Filings (other than for subsequent issuances, if any, pursuant to employee benefit plans, upon the exercise of outstanding options or warrants, or as otherwise disclosed to the Purchasers and/or described in the SEC Filings). All of the issued and outstanding shares of Common Stock have been duly authorized and validly issued, are fully paid and nonassessable and have been issued in compliance with all federal and state securities laws. None of the outstanding shares of Common Stock was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those disclosed to the Purchasers and/or described in the SEC Filings. The descriptions of the Company's stock option, stock bonus and other stock plans or arrangements, and the options or other rights granted thereunder, set forth in the SEC Filings and/or disclosed to the Purchasers, accurately and fairly presents the information required to be shown with respect to such plans, arrangements, options and rights.

4.5. Authorization of the Shares. The Shares have been duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered by the Company against payment therefor pursuant to this Agreement, will be validly issued, fully paid and nonassessable, and the issuance and sale of the Shares is not subject to any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase the Shares.

4.6. No Applicable Registration or Other Similar Rights. There are no persons with registration or other similar rights to have any equity or debt securities registered for sale included in the offering contemplated by this Agreement, except for such rights as have been duly waived.

4.7. SEC Filings.

(a) The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Exchange Act for the three (3)-year period preceding the date hereof (or such shorter period as the Company was required by Law to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Filings").

(b) At the time of filing thereof, or to the extent corrected by a subsequent filing, the SEC Filings complied as to form in all material respects with all applicable requirements of the Exchange Act and did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the

statements made therein, in the light of the circumstances under which they were made, not misleading.

(c) Each registration statement and any amendment thereto filed by the Company during the three (3) year period preceding the date hereof pursuant to the Securities Act, as of the date such statement or amendment became effective, complied as to form in all material respects with the Securities Act and did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein not misleading; and each prospectus filed during the three (3) year period preceding the date hereof pursuant to Rule 424(b) under the Securities Act, as of its issue date and as of the closing of any sale of securities pursuant thereto, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

4.8. No Material Adverse Change. Except as otherwise disclosed to the Purchasers, (i) there has been no material adverse change, or any development that could be expected to result in a material adverse change, in (A) the condition, financial or otherwise, or in the earnings, business, properties, operations, operating results, assets, liabilities or prospects**,** whether or not arising from transactions in the ordinary course of business, of the Company and its subsidiaries, considered as one entity or (B) the ability of the Company to consummate the transactions contemplated by this Agreement or perform its obligations hereunder (any such change being referred to herein as a "Material Adverse Change"); (ii) the Company and its subsidiaries, considered as one entity, have not incurred any material liability or obligation, indirect, direct or contingent, including without limitation any losses or interference with their business from fire, explosion, flood, earthquakes, accident or other calamity, whether or not covered by insurance, or from any strike, labor dispute or court or governmental action, order or decree, that are material, individually or in the aggregate, to the Company and its subsidiaries, considered as one entity, and have not entered into any transactions not in the ordinary course of business; and (iii) there has not been any material decrease in the capital stock or any material increase in any short-term or long-term indebtedness of the Company or its subsidiaries and there has been no dividend or distribution of any kind declared, paid or made by the Company or, except for dividends paid to the Company or other subsidiaries, by any of the Company's subsidiaries on any class of capital stock, or any repurchase or redemption by the Company or any of its subsidiaries of any class of capital stock.

4.9. Tax Law Compliance. The Company and its subsidiaries have filed all necessary federal, state and foreign income and franchise tax returns or have properly requested extensions thereof and have paid all taxes required to be paid by any of them and, if due and payable, any related or similar assessment, fine or penalty levied against any of them except as may be being contested in good faith and by appropriate proceedings. The Company has made adequate charges, accruals and reserves in the applicable financial statements referred to in Section 4.13 below in respect of all federal, state and foreign income and franchise taxes for all periods as to which the tax liability of the Company or any of its subsidiaries has not been finally determined.

4.10. Transfer Taxes. There are no transfer taxes or other similar fees or charges under Federal law or the laws of any state, or any political subdivision thereof, required to be paid

in connection with the execution and delivery of this Agreement or the issuance by the Company or sale by the Company of the Securities.

4.11. Insurance. Each of the Company and its subsidiaries are insured by recognized, financially sound and reputable institutions with policies in such amounts and with such deductibles and covering such risks as are generally deemed adequate and customary for their businesses including, but not limited to, policies covering real and personal property owned or leased by the Company and its subsidiaries against theft, damage, destruction, acts of vandalism and earthquakes and policies covering the Company and its subsidiaries for product liability claims and clinical trial liability claims. The Company has no reason to believe that it or any of its subsidiaries will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that could not be expected to result in a Material Adverse Change. Neither the Company nor any of its subsidiaries has been denied any insurance coverage which it has sought or for which it has applied.

4.12. No Material Actions or Proceedings. There is no action, suit, proceeding, inquiry or investigation brought by or before any legal or governmental entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which could be expected, individually or in the aggregate, to result in a Material Adverse Change or materially and adversely affect the consummation of the transactions contemplated by this Agreement or the performance by the Company of its obligations hereunder. No material labor dispute with the employees of the Company or any of its subsidiaries, or with the employees of any principal supplier, manufacturer, customer or contractor of the Company, exists or, to the knowledge of the Company, is threatened or imminent.

4.13. Financial Statements. The financial statements filed with the SEC present fairly the consolidated financial position of the Company and its subsidiaries as of the dates indicated and the results of their operations, changes in stockholders' equity and cash flows for the periods specified. Such financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the SEC Filings fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto. No other financial statements or supporting schedules are required to be included in the SEC Filings. The financial data set forth in the SEC Filings fairly present the information set forth therein on a basis consistent with that of the audited financial statements contained in the SEC Filings. Any disclosures contained in the SEC Filings that constitute non-GAAP financial measures (as defined by the rules and regulations under the Securities Act and the Exchange Act) comply with Regulation G under the Exchange Act and Item 10 of Regulation S-K under the Securities Act, as applicable. To the Company's knowledge, no person who has been suspended or barred from being associated with a registered public accounting firm, or who has failed to comply with any sanction pursuant to Rule 5300 promulgated by the Public Company Accounting Oversight Board ("PCAOB"), has participated in or otherwise aided the preparation of, or audited, the financial statements, supporting schedules or other financial data filed with the SEC as a part of the SEC Filings.

4.14. Independent Accountants. Plante & Moran, PLLC, which has expressed its opinion with respect to the financial statements (which term as used in this Agreement includes the related notes thereto) and Grant Thornton have each filed with the Commission as a part of the SEC Filings, is (i) an independent registered public accounting firm as required by the Securities Act, the Exchange Act, and the rules of the PCAOB, (ii) in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X under the Securities Act and (iii) a registered public accounting firm as defined by the PCAOB whose registration has not been suspended or revoked and who has not requested such registration to be withdrawn.

4.15. Company's Accounting System . The Company and each of its subsidiaries make and keep accurate books and records and maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the SEC Filings fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

4.16. Disclosure Controls and Procedures; Deficiencies in or Changes to Internal Control Over Financial Reporting. The Company has established and maintains disclosure controls and procedures (as defined in Rules 13a-15 and 15d-15 under the Exchange Act), which (i) are designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company's principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared; (ii) have been evaluated by management of the Company for effectiveness as of the end of the Company's most recent fiscal quarter; and (iii) are effective in all material respects to perform the functions for which they were established. Since the end of the Company's most recent audited fiscal year, there have been no significant deficiencies or material weakness in the Company's internal control over financial reporting (whether or not remediated) and no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is not aware of any change in its internal control over financial reporting that has occurred during its most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

4.17. Intellectual Property Rights. The Company and its subsidiaries own, or have obtained valid and enforceable licenses for, the inventions, patent applications, patents, trademarks, trade names, service names, copyrights, trade secrets and other intellectual property described in the SEC Filings as being owned or licensed by them or which are necessary for the conduct of their respective businesses as currently conducted or as currently proposed to be conducted (collectively, "Intellectual Property") and the conduct of their respective businesses

does not and will not infringe, misappropriate or otherwise conflict in any material respect with any such rights of others. The Intellectual Property has not been adjudged by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part, and the Company is unaware of any facts which would form a reasonable basis for any such adjudication. To the Company's knowledge: (i) there are no third parties who have rights to any Intellectual Property, except for customary reversionary rights of third-party licensors with respect to Intellectual Property that is disclosed in the SEC Filings as licensed to the Company or one or more of its subsidiaries; and (ii) there is no infringement by third parties of any Intellectual Property. There is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others: (A) challenging the Company's rights in or to any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; (B) challenging the validity, enforceability or scope of any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; or (C) asserting that the Company or any of its subsidiaries infringes or otherwise violates, or would, upon the commercialization of any product or service described in the SEC Filings as under development, infringe or violate, any patent, trademark, trade name, service name, copyright, trade secret or other proprietary rights of others, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim. The Company and its subsidiaries have complied with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company or any subsidiary, and all such agreements are in full force and effect. To the Company's knowledge, there are no material defects in any of the patents or patent applications included in the Intellectual Property. The Company and its subsidiaries have taken all reasonable steps to protect, maintain and safeguard their Intellectual Property, including the execution of appropriate nondisclosure, confidentiality agreements and invention assignment agreements and invention assignments with their employees, and no employee of the Company is in or has been in violation of any term of any employment contract, patent disclosure agreement, invention assignment agreement, non-competition agreement, non-solicitation agreement, nondisclosure agreement, or any restrictive covenant to or with a former employer where the basis of such violation relates to such employee's employment with the Company. The duty of candor and good faith as required by the United States Patent and Trademark Office during the prosecution of the United States patents and patent applications included in the Intellectual Property have been complied with; and in all foreign offices having similar requirements, all such requirements have been complied with. None of the Intellectual Property or technology (including information technology and outsourced arrangements) employed by the Company or its subsidiaries has been obtained or is being used by the Company or its subsidiary in violation of any contractual obligation binding on the Company or its subsidiaries or any of their respective officers, directors or employees or otherwise in violation of the rights of any persons. The product candidates described in the SEC Filings as under development by the Company or any subsidiary fall within the scope of the claims of one or more patents owned by, or exclusively licensed to, the Company or any subsidiary.

4.18. Disclosure. The Company understands and confirms that the Purchasers will rely on the foregoing representations in effecting transactions in securities of the Company. To the Knowledge of the Company, all due diligence materials regarding the Company, its subsidiaries, their businesses and the transactions contemplated hereby, furnished by or on behalf of the Company or its subsidiaries to the Purchasers upon their request are, when taken together with the SEC Filings, true and correct in all material respects and do not contain any untrue

statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

4.19. Contracts. Each franchise, contract or other document of a character required to be described in the SEC Filings or to be filed as an exhibit to the SEC Filings under the Securities Act and the rules and regulations promulgated thereunder (collectively, the "Material Contracts") is so described or filed.

4.20. Compliance with Laws. The Company and its subsidiaries have been and are in compliance with all applicable laws, rules and regulations, except where failure to be so in compliance could not be expected, individually or in the aggregate, to result in a Material Adverse Change.

4.21. Compliance with Health Care Laws. The Company and its subsidiaries are, and at all times have been, in compliance with all Health Care Laws. For purposes of this Agreement, "Health Care Laws" means: (i) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Section 301 et seq.), the Public Health Service Act (42 U.S.C. Section 201 et seq.), and the regulations promulgated thereunder; (ii) all applicable federal, state, local and foreign health care fraud and abuse laws, including, without limitation, the Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)), the Civil False Claims Act (31 U.S.C. Section 3729 et seq.), the criminal false statements law (42 U.S.C. Section 1320a-7b(a)), 18 U.S.C. Sections 286 and 287, the health care fraud criminal provisions under the U.S. Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "HIPAA"), (42 U.S.C. Section 1320d et seq.), the Stark Law (42 U.S.C. Section 1395nn), the civil monetary penalties law (42 U.S.C. Section 1320a-7a), the exclusion law (42 U.S.C. Section 1320a-7), the Physician Payments Sunshine Act (42 U.S.C. Section 1320-7h), and applicable laws governing government funded or sponsored healthcare programs; (iii) HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. Section 17921 et seq.); (iv) the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010; (v) licensure, quality, safety and accreditation requirements under applicable federal, state, local or foreign laws or regulatory bodies; and (vi) all other local, state, federal, national, supranational and foreign laws, relating to the regulation of the Company or its subsidiaries, and (vii) the directives and regulations promulgated pursuant to such statutes and any state or non-U.S. counterpart thereof. Neither the Company nor any of its subsidiaries has received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging that any product operation or activity is in violation of any Health Care Laws nor, to the Company's knowledge, is any such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action threatened. The Company and its subsidiaries have filed, maintained or submitted all material reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Laws, and all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and accurate on the date filed in all material respects (or were corrected or supplemented by a subsequent submission). Neither the Company nor any of its subsidiaries is a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar

agreements with or imposed by any governmental or regulatory authority. Additionally, neither the Company, any of its subsidiaries nor any of their respective employees, officers, directors, or agents has been excluded, suspended or debarred from participation in any U.S. federal health care program or human clinical research or, to the knowledge of the Company, is subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in debarment, suspension, or exclusion.

4.22. Clinical Data and Regulatory Compliance. The preclinical tests and clinical trials, and other studies (collectively, "studies") that are described in, or the results of which are referred to in, the SEC Filings and/or disclosed to the Purchasers were and, if still pending, are being conducted in all material respects in accordance with the protocols, procedures and controls designed and approved for such studies and with standard medical and scientific research procedures; each description of the results of such studies is accurate and complete in all material respects and fairly presents the data derived from such studies, and the Company and its subsidiaries have no knowledge of any other studies the results of which are inconsistent with, or otherwise call into question, the results described or referred to in the SEC Filings and/or disclosed to the Purchasers; the Company and its subsidiaries have made all such filings and obtained all such approvals as may be required by the Food and Drug Administration of the U.S. Department of Health and Human Services or any committee thereof or from any other U.S. or foreign government or drug or medical device regulatory agency, or health care facility Institutional Review Board (collectively, the "Regulatory Agencies"); neither the Company nor any of its subsidiaries has received any notice of, or correspondence from, any Regulatory Agency requiring the termination, suspension or modification of any clinical trials that are described or referred to in the SEC Filings and/or disclosed to the Purchasers; and the Company and its subsidiaries have each operated and currently are in compliance in all material respects with all applicable rules, regulations and policies of the Regulatory Agencies.

4.23. Cybersecurity. The Company and its subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and its subsidiaries have implemented and maintained commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data, including "Personal Data," used in connection with their businesses. "Personal Data" means (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (ii) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; (iii) "personal data" as defined by the European Union General Data Protection Regulation ("GDPR") ") (EU 2016/679); (iv) any information which would qualify as "protected health information" under HIPAA; and (v) any other piece of information that allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person's health or sexual orientation. There have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been

remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company and its subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification.

4.24. Compliance with Data Privacy Laws. The Company and its subsidiaries are, and at all prior times were, in material compliance with all applicable state and federal data privacy and security laws and regulations, including without limitation HIPAA, and the Company and its subsidiaries have taken commercially reasonable actions to prepare to comply with, and since May 25, 2018, have been and currently are in compliance with, GDPR (collectively, the "Privacy Laws"). To ensure compliance with the Privacy Laws, the Company and its subsidiaries have in place, comply with, and take appropriate steps reasonably designed to ensure compliance in all material respects with their policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the "Policies"). The Company and its subsidiaries have at all times made all disclosures to users or customers required by applicable laws and regulatory rules or requirements, and none of such disclosures made or contained in any Policy have, to the knowledge of the Company, been inaccurate or in violation of any applicable laws and regulatory rules or requirements in any material respect. The Company further certifies that neither it nor any subsidiary: (i) has received notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

4.25. Company Not an "Investment Company". The Company is not, and will not be, either after receipt of payment for the Shares or after the application of the proceeds therefrom, required to register as an "investment company" under the Investment Company Act of 1940, as amended.

4.26. All Necessary Permits, etc. The Company and its subsidiaries possess such valid and current certificates, authorizations or permits required by state, federal or foreign regulatory agencies or bodies to conduct their respective businesses as currently conducted and as described in the SEC Filings ("Permits"). Neither the Company nor any of its subsidiaries is in violation of, or in default under, any of the Permits or has received any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such certificate, authorization or permit.

4.27. Title to Properties. The Company and its subsidiaries have good and marketable title to all of the real and personal property and other assets reflected as owned in the financial statements referred to in Section 4.13 above (or elsewhere in the SEC Filings), in each case free and clear of any security interests, mortgages, liens, encumbrances, equities, adverse claims and other defects. The real property, improvements, equipment and personal property held under lease by the Company or any of its subsidiaries are held under valid and enforceable leases,

with such exceptions as are not material and do not materially interfere with the use made or proposed to be made of such real property, improvements, equipment or personal property by the Company or such subsidiary.

4.28. ERISA Compliance. The Company and its subsidiaries and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "ERISA")) established or maintained by the Company, its subsidiaries or their "ERISA Affiliates" (as defined below) are in compliance in all material respects with ERISA. "ERISA Affiliate" means, with respect to the Company or any of its subsidiaries, any member of any group of organizations described in Sections 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "Code") of which the Company or such subsidiary is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates. No "employee benefit plan" established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates, if such "employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither the Company, its subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each employee benefit plan established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification.

4.29. Compliance with Environmental Laws. Except as could not be expected, individually or in the aggregate, to result in a Material Adverse Change: (i) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"); (ii) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements; (iii) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its subsidiaries; and (iv) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

4.30. Anti-Corruption and Anti-Bribery Laws. Neither the Company nor any of its subsidiaries nor any director, officer, or employee of the Company or any of its subsidiaries, nor to the knowledge of the Company, any agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made or taken any act in furtherance of an offer, promise, or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or public international organization, or any political party, party official, or candidate for political office; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the UK Bribery Act 2010, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, authorized, requested, or taken an act in furtherance of any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment or benefit . The Company and its subsidiaries and, to the knowledge of the Company, the Company's affiliates have conducted their respective businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

4.31. Money Laundering Laws. The operations of the Company and its subsidiaries are, and have been conducted at all times, in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

4.32. Sanctions. Neither the Company nor any of its subsidiaries, directors, officers, or employees, nor, to the knowledge of the Company, after due inquiry, any agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom, or other relevant sanctions authority (collectively, " Sanctions"); nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, and Syria; and the Company will not directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, or any joint venture partner or other person or entity, for the purpose of financing the activities of or business with any person, or in any country or territory, that at the time of such financing, is the subject or the target of Sanctions or in any other manner that will result in a violation by any person (including any person participating in the transaction whether as underwriter, advisor, investor or otherwise) of applicable Sanctions. For the past ten years, the Company and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person

that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

4.33. Stock Exchange Listing. The shares of Common Stock are registered pursuant to Section 12(b) or 12(g) of the Exchange Act and are listed on The Nasdaq Capital Market ("NASDAQ"). The Company shall cause the Shares to be listed on NASDAQ prior to the effectiveness of the Registration Statement and shall use its best efforts to maintain the continued listing of such Shares. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Shares under the Exchange Act or delisting the Shares from NASDAQ, nor has the Company received any notification that the Commission or NASDAQ is contemplating terminating such registration or listing. To the Company's knowledge, it is in compliance with all applicable listing requirements of NASDAQ.

4.34. No Unlawful Contributions or Other Payments. Neither the Company nor any of its subsidiaries nor, to the best of the Company's knowledge, any employee or agent of the Company or any subsidiary, has made any contribution or other payment to any official of, or candidate for, any federal, state or foreign office in violation of any law or of the character required to be disclosed in the SEC Filings.

4.35. No Outstanding Loans or Other Extensions of Credit. The Company does not have any outstanding extension of credit, in the form of a personal loan, to or for any director or executive officer (or equivalent thereof) of the Company except for such extensions of credit as are expressly permitted by Section 13(k) of the Exchange Act.

4.36. No Contract Terminations. Neither the Company nor any of its subsidiaries has sent or received any communication regarding termination of, or intent not to renew, any of the contracts or agreements referred to or described in or filed as an exhibit to the SEC Filings, and no such termination or non-renewal has been threatened by the Company or any of its subsidiaries or, to the Company's knowledge, any other party to any such contract or agreement, which threat of termination or non-renewal has not been rescinded as of the date hereof.

4.37. Dividend Restrictions. No subsidiary of the Company is prohibited or restricted, directly or indirectly, from paying dividends to the Company, or from making any other distribution with respect to such subsidiary's equity securities or from repaying to the Company or any other subsidiary of the Company any amounts that may from time to time become due under any loans or advances to such subsidiary from the Company or from transferring any property or assets to the Company or to any other subsidiary.

4.38. No Integrated Offering. Assuming the accuracy of the representations and warranties of the Purchasers set forth in Section 5, the Company has not, directly or indirectly through any agent, made any offers or sales of, or solicited any offers to buy, any Company "security" (as defined in the Securities Act) under circumstances that would adversely affect reliance by the Company on Section 4(a)(2) for the exemption from registration for the transactions contemplated hereby or would require registration of any of the Securities under the Securities Act.

4.39. No Price Stabilization or Manipulation; Compliance with Regulation M. Neither the Company nor any of its subsidiaries has taken, directly or indirectly, any action designed to or that might cause or result in stabilization or manipulation of the price of the Shares or of any "reference security" (as defined in Rule 100 of Regulation M under the Exchange Act ("Regulation M")) with respect to the Shares, whether to facilitate the sale or resale of the Shares or otherwise, and has taken no action which would directly or indirectly violate Regulation M.

4.40. Brokers. Except pursuant to the Transaction Documents, there is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

4.41. Private Placement. Assuming the accuracy of the representations and warranties of the Purchasers set forth in Section 5, and in reliance thereon, the offer and sale of the Shares to the Purchasers as contemplated hereby is exempt from the registration requirements of the Securities Act.

4.42. Shell Company. The Company is not, and was not within the past three (3) years, an "ineligible issuer" (as defined in Rule 405 promulgated under the Securities Act).

4.43. Use of Form S-3. The Company meets the registration and transaction requirements for use of Form S-3 for the registration of the resale of the Shares by the Purchasers, subject to the SEC's guidance and interpretations regarding secondary offerings being considered primary offerings.

4.44. No Stop Order. No stop order or suspension of trading has been imposed as of the date hereof by the OTC Markets Group, the Financial Industry Regulatory Authority ("FINRA"), the SEC or any other governmental authority or regulatory body with respect to public trading in the Common Stock.

4.45. Sarbanes-Oxley Act. There is, and has been, no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

5. Representations and Warranties of the Purchasers. Each Purchaser hereby severally, and not jointly, represents and warrants to the Company that, as of the date hereof and as of the Closing Date as follows:

5.1. Organization and Existence. Such Purchaser is a duly organized, validly existing corporation, limited partnership or limited liability company and in good standing under the Laws of the jurisdiction of its organization.

5.2. Authorization. Such Purchaser has the requisite corporate (or similar) power and authority and has taken all requisite action on the part of such Purchaser, its officers, directors, members and stockholders necessary for (i) the authorization, execution and delivery of the Transaction Documents to which such Purchaser is a party and (ii) the authorization of the performance of all obligations of the Purchaser hereunder or thereunder. The Transaction

Documents to which such Purchaser is a party constitute the legal, valid and binding obligations of the Purchaser, enforceable against such Purchaser in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability, relating to or affecting creditors' rights generally and to general equitable principles.

5.3. No Conflict, Breach, Violation or Default. The execution, delivery and performance of the Transaction Documents by such Purchaser will not (i) conflict with or result in a material breach or material violation of (a) any of the terms and provisions of, or constitute a material default under, its organizational documents, as in effect as of immediately prior to the Closing, or (b) any Law or Order of any governmental agency or body or any court, domestic or foreign, in each case having jurisdiction over such Purchaser or any of its assets or properties, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any lien, encumbrance or other adverse claim upon any of the properties or assets of such Purchaser or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, indenture or instrument to which such Purchaser is a party; except in the case of clauses (i)(b) and (ii) such as would not have a material adverse effect on the ability of such Purchaser to perform its obligations hereunder.

5.4. Purchase Entirely for Own Account. The Shares to be received by such Purchaser hereunder, will be acquired for such Purchaser's own account, not as nominee or agent, and not with a view to the resale or distribution of any part thereof in violation of the Securities Act, and such Purchaser has no present agreement, understanding or intention of selling, granting any participation in, or otherwise distributing the same in violation of the Securities Act without prejudice, subject, however, to such Purchaser's right at all times to sell or otherwise dispose of all or any part of such Securities in compliance with applicable federal and state securities Laws.

5.5. Investment Experience. Such Purchaser acknowledges that it can bear the economic risk and complete loss of its investment in the Securities and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment contemplated hereby.

5.6. Disclosure of Information. Such Purchaser has had an opportunity to review all information related to the Company requested by it and to ask questions of and receive answers from the Company regarding the Company, its business and the terms and conditions of the offering of the Shares. Such Purchaser acknowledges that copies of the SEC Filings have been made available to it. Such Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Shares. Based on the information such Purchaser has deemed appropriate, and without reliance upon the Placement Agent, it has independently made its own analysis and decision to enter into the Transaction Documents. Such Purchaser is relying exclusively on its own investment analysis and due diligence (including professional advice it deems appropriate) with respect to the execution, delivery and performance of the Transaction Documents and the business, condition (financial and otherwise), management, operations, properties and prospects of the Company, including but not limited to all business, legal, regulatory, accounting, credit and tax matters. Such Purchaser has

not relied on any advice furnished by or on behalf of the Placement Agent in connection with the transactions contemplated hereby.

5.7. Restricted Securities. Such Purchaser understands that the Shares are characterized as "restricted securities" under the U.S. federal securities Laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such Laws the Securities may be resold without registration under the Securities Act only in certain limited circumstances. Such Purchaser understands that except as provided in the Registration Rights Agreement: (i) the Shares have not been and are not being registered under the Securities Act or any state securities Laws, and may not be offered for sale, sold, assigned or transferred unless (a) subsequently registered thereunder, (b) such Purchaser shall have delivered to the Company an opinion of counsel, in a form reasonably acceptable to the Company, to the effect that such Shares to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration, or (c) such Purchaser provides the Company with reasonable assurance that such Shares can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the Securities Act, as amended, (or a successor rule thereto) (collectively, "Rule 144"); (ii) any sale of the Shares made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Shares under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other Person is under any obligation to register the Shares under the Securities Act or any state securities Laws or to comply with the terms and conditions of any exemption thereunder.

5.8. Purchaser Status. Such Purchaser is an institutional "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3) or (a)(7) under the Securities Act or a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act. Such Purchaser is a sophisticated "institutional account" as defined in FINRA Rule 4512(c), with sufficient knowledge and experience in investing in private placement transactions to properly evaluate the risks and merits of its purchase of the Shares. Such Purchaser is not a registered broker-dealer registered under Section 15(a) of the Exchange Act, or a member of FINRA or an entity engaged in the business of being a broker-dealer. Such Purchaser is not affiliated with any broker-dealer registered under Section 15(a) of the Exchange Act, or a member of FINRA or an entity engaged in the business of being a broker-dealer.

5.9. Reliance on Exemptions. Such Purchaser understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of federal and state securities Laws and that the Company is relying in part upon the truth and accuracy of, and such Purchaser's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Purchaser set forth in the Transaction Documents in order to determine the availability of such exemptions and the eligibility of such Purchaser to acquire the Shares.

5.10. No General Solicitation. Such Purchaser did not learn of the investment in the Shares as a result of any general solicitation or general advertising.

5.11. Brokers and Finders. No Person will have, as a result of the transactions contemplated by the Transaction Documents, any valid right, interest or claim against or upon the Company, any subsidiary thereof or any Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of such Purchaser.

5.12. Prohibited Transactions. Since the earlier of (i) such time as such Purchaser was first contacted by the Company or any other Person acting on behalf of the Company regarding the transactions contemplated hereby or (ii) thirty (30) days prior to the date hereof, neither such Purchaser nor any Affiliate of such Purchaser which (a) had knowledge of the transactions contemplated hereby, (b) has or shares discretion relating to such Purchaser's investments or trading or information concerning such Purchaser's investments, including in respect of the Securities, or (c) is subject to such Purchaser's review or input concerning such Affiliate's investments or trading has, directly or indirectly, effected or agreed to effect any short sale, whether or not against the box, established any "put equivalent position" (as defined in Rule 16a-1(h) under the Exchange Act) with respect to the Common Stock, granted any other right (including, without limitation, any put or call option) with respect to the Common Stock or with respect to any security that includes, relates to or derived any significant part of its value from the Common Stock or otherwise sought to hedge its position in the Shares. Such Purchaser acknowledges that the representations, warranties and covenants contained in this Section 5.12 are being made for the benefit of the Purchasers as well as the Company and that each of the other Purchasers shall have an independent right to assert any claims against such Purchaser arising out of any breach or violation of the provisions of this Section 5.12.

5.13. Rule 506(d) Representation. Such Purchaser represents that it is not a person of the type described in Section 506(d) of Regulation D under the Securities Act that would disqualify the Company from engaging in a transaction pursuant to Section 506 of Regulation D under the Securities Act.

5.14. Residency. Such Purchaser is a resident of that jurisdiction specified on such Purchaser's signature page hereto.

5.15. Placement Agent. Such Purchaser hereby acknowledges and agrees that (a) the Placement Agent is acting solely as a placement agent in connection with the execution, delivery and performance of the Transaction Documents and are not acting as an underwriter, initial purchaser, dealer or in any other such capacity and are not and shall not be construed as a fiduciary for such Purchaser, the Company or any other person or entity in connection with the execution, delivery and performance of the Transaction Documents, (b) it is not relying upon, and has not relied upon, any statement, representation or warranty made by the Placement Agent, any of their respective affiliates or any of their respective control persons, officers, directors and employees, in making its investment or decision to invest in the Company, (c) the Placement Agent has not made and will not make any representation or warranty, whether express or implied, of any kind or character, and have not provided any advice or recommendation in connection with the execution, delivery and performance of the Transaction Documents, (d) the Placement Agent will not have any responsibility with respect to (i) any representations, warranties or agreements made by any person or entity under or in connection with the execution, delivery and performance of the Transaction Documents, or the execution, legality, validity or enforceability (with respect

to any person) thereof, or (ii) the business, affairs, financial condition, operations, properties or prospects of, or any other matter concerning the Company, and (e) the Placement Agent will not have any liability or obligation (including without limitation, for or with respect to any losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses or disbursements incurred by such Purchaser, the Company or any other person or entity), whether in contract, tort or otherwise, to such Investor, or to any person claiming through it, in respect of any action heretofore or hereafter taken or omitted to be taken by any of them in connection with any Purchasers purchase of the Shares or the execution, delivery and performance of the Transaction Documents.

6. Conditions to Closing.

6.1. Conditions to the Purchasers' Obligations. The obligation of each Purchaser to purchase the Shares at the Closing is subject to the fulfillment to satisfaction, on or prior to the Closing Date, of the following conditions, any of which may be waived by such Purchaser (as to itself only):

(a) The representations and warranties made by the Company in Section 4 hereof shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or Material Adverse Change, which shall be true and correct in all respects) as of the Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or Material Adverse Change, which shall be true and correct in all respects) as of such earlier date. The Company shall have performed in all material respects all obligations and covenants herein required to be performed by it on or prior to the Closing Date.

(b) The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by it at or prior to the Closing Date.

(c) a Certificate of the Secretary of the Company, dated as of the Closing Date, shall be delivered (i) certifying the resolutions adopted by the Board of Directors of the Company and any duly authorized committee thereof relating to the transactions contemplated by this Agreement and the other Transaction Documents and the issuance of the Shares, (ii) certifying the current versions of the certificate of incorporation, as amended, and bylaws of the Company and (iii) certifying as to the signatures and authority of persons signing the Transaction Documents and related documents on behalf of the Company, in form and substance reasonably acceptable to the Purchasers (the "Secretary's Certificate");

(d) No judgment, writ, order, injunction, award or decree of or by any court, or judge, justice or magistrate, including any bankruptcy court or judge, in each case having authority over the Company or its subsidiaries, or any order of or by any applicable governmental authority, shall have been issued, and no action or proceeding shall have been instituted by any governmental authority, enjoining or preventing the consummation of the transactions contemplated hereby or in the other Transaction Documents.

(e) The Company shall have delivered a Certificate, executed on behalf of the Company by its Chief Executive Officer or its Chief Financial Officer, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in subsections (a) and (b), of this Section 6.1.

(f) The Purchasers shall have received an opinion of (i) Company Counsel dated as of the Closing Date and (ii) Company Intellectual Property Counsel, each in a form and substance reasonably acceptable to the Purchasers.

(g) The Company shall have executed and delivered the Transaction Documents to each Purchaser.

(h) No stop order or suspension of trading shall have been imposed or threatened in writing by the Trading Market, FINRA, the SEC or any other governmental or regulatory body with respect to public trading in the Common Stock.

6.2. Conditions to the Company's Obligations. The Company's obligation to sell and issue the Shares at the Closing to each Purchaser is subject to the fulfillment on or prior to the Closing Date of the following conditions, any of which may be waived by the Company:

(a) The representations and warranties made by such Purchaser in Section 5 hereof shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality, which shall be true and correct in all respects) as of the date hereof as of the Closing Date, except to the extent any such representation or warranty expressly speaks as of an earlier date, in which case such representation or warranty shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality, which shall be true and correct in all respects) as of such earlier date. Each Purchaser shall have performed in all material respects all obligations and covenants herein required to be performed by it on or prior to the Closing Date.

(b) Each Purchaser shall have delivered its applicable portion of the Purchase Price to the Company.

(c) Each Purchaser shall have executed and delivered the Transaction Documents to the Company.

6.3. Termination of Obligations to Effect Closing; Effects.

(a) The obligations of the Company, on the one hand, and the Purchasers, on the other hand, to effect the Closing shall terminate as follows:

(i) Upon the mutual written consent of the Company and the Purchasers;

(ii) By the Company if any of the conditions set forth in Section 6.2 shall have become incapable of fulfillment, and shall not have been waived by the Company;

(iii) By a Purchaser (with respect to itself only) if any of the conditions set forth in Section 6.1 shall have become incapable of fulfillment, and shall not have been waived by such Purchaser; or

(iv) By either the Company or any Purchaser (with respect to itself only) if the Closing has not occurred prior to 11:59 PM (New York time) on July 30, 2024; provided, however, that, except in the case of clause (i) above, the party seeking to terminate its obligation to effect the Closing shall not then be in breach of any of its representations, warranties, covenants or agreements contained in this Agreement or the other Transaction Documents if such breach has resulted in the circumstances giving rise to such party's seeking to terminate its obligation to effect the Closing.

(b) In the event of termination by the Company or any Purchaser of its obligations to effect the Closing pursuant to this Section 6.3, written notice thereof shall forthwith be given to the other Purchasers by the Company and the other Purchasers shall have the right to terminate their obligations to effect the Closing upon written notice to the Company and the other Purchasers. Nothing in this Section 6.3 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents.

7. Other Covenants and Agreements of the Parties.

7.1. [Reserved]

7.2. Legends. The Shares shall bear the following legends:

(a) "THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES."

(b) If required by the authorities of any state in connection with the issuance of sale of the Shares, the legend required by such state authority.

7.3. Removal of Legends.

(a) In connection with any sale, assignment, transfer or other disposition of the Shares by a Purchaser pursuant to Rule 144 or pursuant to any other exemption

under the Securities Act such that the purchaser acquires freely tradable securities and upon compliance by such Purchaser with the requirements of this Agreement, if requested by such Purchaser, the Company shall cause the Transfer Agent to timely remove any restrictive legends related to the book entry account holding such Shares and make a new, unlegended entry for such book entry Shares sold or disposed of without restrictive legends, provided that the Company has received from the Purchaser customary representations and other documentation reasonably acceptable to the Company in connection therewith.

(b) Subject to receipt from the Purchaser by the Company and the Transfer Agent of customary representations and other customary documentation reasonably acceptable to the Company and the Transfer Agent in connection therewith, upon the earliest of (i) the Shares being subject to an effective registration statement covering the resale of the Shares, (ii) such time as the Shares have been sold pursuant to Rule 144, or (iii) such time as the Shares are eligible for resale under Rule 144(b)(1) or any successor provision, the Company shall (A) deliver to the Transfer Agent irrevocable instructions that the Transfer Agent shall make a new, unlegended entry for such book entry Shares, together with either (1) a customary representation by the Purchaser that Rule 144 applies to the Shares represented thereby or (2) a statement by the Purchaser that such Purchaser has sold the Shares represented thereby in accordance with the plan of distribution contained in the Registration Statement, and (B) cause its counsel to deliver to the Transfer Agent one or more opinions to the effect that the removal of such legends in such circumstances may be effected under the Securities Act if required by the Transfer Agent to effect the removal of the legend in accordance with the provisions of this Agreement. The Company agrees that following such time as such legend is no longer required under this Section 7.3, it will, upon a Purchaser's written request and compliance with the immediately preceding sentence, deliver or cause to be delivered to such Purchaser, a certificate representing that such Shares are free from all restrictive and other legends. Shares subject to legend removal hereunder shall be transmitted by the Transfer Agent to the Purchaser by crediting the account of the Purchaser's custodian as directed by such Purchaser.

7.4. Furnishing of Information. In order to enable the Purchasers to sell the Shares under Rule 144, until the date that the Shares cease to be Registrable Securities (as defined in the Registration Rights Agreement), the Company shall use its commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act. During such period, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchasers and make publicly available in accordance with Rule 144(c) such information as is required for the Purchasers to sell the Shares under Rule 144.

7.5. Indemnification of Purchasers. Subject to the provisions of this Section 7.5, the Company will indemnify and hold each Purchaser harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation, that any such Purchaser may suffer or incur as a result of or relating to any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement; provided, however, that the aggregate liability of the Company to each Purchaser under this Section 7.5 shall not exceed the amount paid by such Purchaser to the Company pursuant to Section 3. Promptly after receipt by any Purchaser (the "Indemnified Person") of notice of any

demand or claim from any Person that would or might give rise to a claim or the commencement of any action, proceeding or investigation in respect of which indemnification may be sought pursuant to this Section 7.5 (a "Third Party Claim"), such Indemnified Person shall promptly notify the Company in writing, and in reasonable detail, of such Third Party Claim. Thereafter, the Indemnified Person will deliver to the Company, within five (5) Business Days after the Indemnified Person's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Person relating to the Third Party Claim. If a Third Party Claim is made against the Company, the Company will be entitled to participate in the defense thereof and, if it so chooses, to assume the defense thereof (subject to a reservation of rights) with counsel selected by the Company by giving the Indemnified Person notice within twenty (20) days of the Company's receipt of notice of the Third Party Claim pursuant to this Section 7.5. If the Company does not give such notice to the Indemnified Person of the Company's intent to assume the defense of the Third Party Claim, the Indemnified Person shall be entitled to assume the defense thereof. Should the Company so elect to assume the defense of a Third Party Claim, the Company will not be liable to the Indemnified Person for legal expenses subsequently incurred by the Indemnified Person in connection with the defense thereof. If the Company assumes such defense, the Indemnified Person will have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Company, it being understood, however, that the Company will control such defense. If the Company chooses to defend any Third Party Claim, then all the Parties will cooperate in the defense or prosecution of such Third Party Claim. The Indemnified Person will not admit any liability with respect to, or settle, compromise or discharge, any Third Party Claim without the prior written consent of the Company. Notwithstanding any other provision of this Agreement, the Company shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Person (which consent shall not be unreasonably withheld), unless such settlement requires only the payment of money that the Company is obligated to pay.

7.6. Equal Treatment of Purchasers. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of the Transaction Documents unless the same consideration is also offered to all of the Parties to the Transaction Documents. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser, and is intended for the Company to treat the Purchasers as a class and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of Shares or otherwise.

7.7. Compliance with Laws. Notwithstanding any other provision of this Agreement, each Purchaser covenants that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Shares Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state and federal securities Laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to the Company, (iii) pursuant to Rule 144 (provided that the Purchaser provides the Company with reasonable assurances (in the form of seller and, if applicable, broker representation letters) that the Shares may be sold pursuant to such rule), or (iv) to its Affiliates, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of

which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Shares under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement with respect to such transferred Shares.

7.8. Disclosure of Material Non-Public Information. The Company shall not disclose material non-public information to the Purchasers, or to advisors to or representatives of the Purchasers, unless prior to disclosure of such information the Company identifies such information as being material non-public information and provides the Purchasers, such advisors and representatives with the opportunity to accept or refuse to accept such material non-public information for review and any Purchaser wishing to obtain such information enters into an appropriate confidentiality agreement with the Company with respect thereto.

7.9. Termination of Certain Obligations. The provisions of Section 7.8 shall terminate and be of no further force and effect on the date on which the Company's obligations under the Registration Rights Agreement to register or maintain the effectiveness of any registration covering the Registrable Securities (as defined in the Registration Rights Agreement) shall terminate.

7.10. [Reserved].

8. Survival. The representations, warranties, covenants and agreements contained in this Agreement shall survive for a period of one (1) year following the Closing.

9. Miscellaneous.

9.1. Assignment. This Agreement may not be assigned by a party hereto without the prior written consent of the Company or the Purchasers, as applicable.

9.2. Successors. This Agreement shall be binding solely on, and inure solely to the benefit of, each of the undersigned and their respective successors and permitted assigns, and nothing set forth in this Agreement shall be construed to confer upon or give to any Person other than each of the undersigned and their respective successors and permitted assigns any benefits, rights or remedies under or by reason of, or any rights to enforce or cause the Company to enforce, the equity commitment or any provisions of this Agreement.

9.3. Counterparts; Faxes; Electronic Mail. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed via facsimile or electronic mail, each of which shall be deemed an original.

9.4. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

9.5. Notices. Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given as hereinafter described: (i) if given by personal delivery, then such notice shall be deemed given upon such delivery; (ii) if given by facsimile, then such notice shall be deemed given upon receipt of

confirmation of complete transmittal; (iii) if given by mail, then such notice shall be deemed given upon the earlier of (A) receipt of such notice by the recipient or (B) three (3) days after such notice is deposited in first class mail, postage prepaid; and (iv) if given by an internationally recognized overnight air courier, then such notice shall be deemed given one (1) Business Day after delivery to such carrier. All notices shall be addressed to the party to be notified at the address as follows, or at such other address as such party may designate by ten (10) days' advance written notice to the other party:

If to the Company:

Rezolute, Inc.
275 Shoreline Drive, Suite 500
Redwood City, CA 94065
Attn: Nevan Elam, CEO

With a copy to:

Dorsey & Whitney LLP,
1400 Wewatta Street, Suite 400
Denver, CO 80202-5549
Attn: Anthony W. Epps, Esq.

If to the Purchasers:

to the addresses set forth on the signature pages hereto.

9.6. Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Required Purchasers. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each holder of any Shares purchased under this Agreement at the time outstanding, each future holder of all such Shares, and the Company.

9.7. Publicity. Except as set forth below, no public release or announcement concerning the transactions contemplated hereby shall be issued by the Company or the Purchasers without the prior written consent of the Company (in the case of a release or announcement by the Purchasers), the Placement Agent or the Required Purchasers (in the case of a release or announcement by the Company) (which consents shall not be unreasonably withheld), except (i) as such release or announcement may be required by Law or the applicable rules or regulations of the SEC, any securities exchange or securities market, in which case the Company or the Purchasers, as the case may be, shall allow the Purchasers or the Company, as applicable, to the extent reasonably practicable in the circumstances, reasonable time to comment on such release or announcement in advance of such issuance or (ii) a public release or announcement in connection with discussions to investors not including the Required Purchasers, in which case such consent shall not be required. Notwithstanding the foregoing, no Purchaser may be named in a public release or announcement concerning the transactions contemplated hereby without such Purchasers prior written consent. The Purchasers hereby acknowledge and agree that no later than

the fourth (4th) Business Day after the date hereof, the Company shall (x) issue a press release reasonably acceptable to the Required Purchasers and (y) file a Current Report on Form 8-K describing the terms of the transactions contemplated by the Transaction Documents in the form required by the Exchange Act and attaching the material Transaction Documents (including, without limitation, this Agreement (and all schedules and exhibits to this Agreement) and the Registration Rights Agreement, as exhibits to such filing (including all attachments)). In addition, the Company will make such other filings and notices in the manner and time required by the SEC or NASDAQ and the Registration Rights Agreement.

9.8. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof but shall be interpreted as if it were written so as to be enforceable to the maximum extent permitted by applicable Law, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable Law, the Parties hereby waive any provision of Law which renders any provision hereof prohibited or unenforceable in any respect.

9.9. Entire Agreement. This Agreement, including the Exhibits and the Registration Rights Agreement constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, both oral and written, among the Parties with respect to the subject matter hereof and thereof.

9.10. Further Assurances. The Parties shall execute and deliver all such further instruments and documents and take all such other actions as may reasonably be required to carry out the transactions contemplated hereby and to evidence the fulfillment of the agreements herein contained.

9.11. Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the internal Laws of the State of Nevada without regard to the choice of law principles thereof. Each of the Parties irrevocably submits to the exclusive jurisdiction of the courts of the State of Nevada and any state appellate court therefrom within the State of Nevada and any state appellate court therefrom within the State of Nevada for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. Service of process in connection with any such suit, action or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the Parties irrevocably consents to the jurisdiction of any such court in any such suit, action or proceeding and to the laying of venue in such court. Each party hereto irrevocably waives any objection to the laying of venue of any such suit, action or proceeding brought in such courts and irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. EACH OF THE PARTIES WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO THIS AGREEMENT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.

9.12. Disclaimer. Except as expressly set forth in this Agreement, no Party makes any representation or warranty to any other Party of any nature, express or implied. Each Purchaser acknowledges and agrees that in evaluating its investment in the Shares, it is not relying on any representations, warranties or information (including the accuracy or completeness thereof) other than the representations and warranties contained herein and the information contained in the SEC Filings.

9.13. Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser under any Transaction Document. The decision of each Purchaser to purchase Shares pursuant to the Transaction Documents has been made by such Purchaser independently of any other Purchaser. Nothing contained in any Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser acknowledges that no other Purchaser has acted as agent for such Purchaser in connection with making its investment hereunder and that no Purchaser will be acting as agent of such Purchaser in connection with monitoring its investment in the Shares or enforcing its rights under the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of the Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. The Company acknowledges that each of the Purchasers has been provided with the same Transaction Documents for the purpose of closing a transaction with multiple Purchasers and not because it was required or requested to do so by any Purchaser.

9.14. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person except as provided in the next paragraph.

9.15. Reliance by the Placement Agent. The parties agree and acknowledge that the Placement Agent may rely on the representations, warranties, agreements and covenants of the Company contained in this Agreement and may rely on the representations and warranties of the respective Purchasers contained in this Agreement as if such representations, warranties, agreements, and covenants, as applicable, were made directly to the Placement Agent. The parties further agreement that the Placement Agent may rely on or, if the Placement Agent so request, be specifically named as an addressee of, the legal opinions to be delivered pursuant to Section 6(f) of this Agreement.

(a) The Placement Agent, and its affiliates and its respective representatives shall be entitled to (1) rely on, and shall be protected in acting upon, any certificate, instrument, opinion, notice, letter or any other document or security delivered to any of it by or on behalf of the Company, and (2) be indemnified by the Company for acting as Closing Agent in connection with the transactions contemplated by the Transaction Documents pursuant the indemnification provisions set forth in the Engagement Letter.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first indicated above.

The Company: REZOLUTE, INC.

By: _____

Name: Nevan Elam

Its: Chief Executive Officer

[Signature Page to PIPE – Securities Purchase Agreement]

4891-0304-4295\10

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

[•]

By: _____

Name: [•]

Its: Chairman and Chief Executive Officer

Aggregate Purchase Price (Subscription Amount): [•]

Number of Shares to be Acquired: [•]

Address for Notice/Residency of Purchaser:

[•]

_____

_____

Telephone No.: [•]

Facsimile No.: [•]

E-mail Address: [•]

Attention: _____

Delivery Instructions:

(if different than above)

c/o _____

Street: _____

City/State/Zip: _____

Attention: _____

Telephone No.: _____

[Signature Page to PIPE – Securities Purchase Agreement]

4891-0304-4295\10

Exhibit A

Schedule of Purchasers

4891-0304-4295\10

Exhibit B

Registration Rights Agreement

4891-0304-4295\10

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of June __, 2024 between Rezolute, Inc., a Nevada corporation (the "Company"), and each of the several purchasers signatory hereto (each such purchaser, a "Purchaser" and, collectively, the "Purchasers").

The Company and each Purchaser hereby agrees as follows:

1. Definitions.

Capitalized terms used and not otherwise defined herein that are defined in the Securities Purchase Agreement shall have the meanings given such terms in the Securities Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

"Advice" shall have the meaning set forth in Section 6(c).

"Effectiveness Date" means, with respect to the Initial Registration Statement required to be filed hereunder, the 60th calendar day following the date hereof (or, in the event of a "full review" by the Commission, the 90th calendar day following the date hereof), and with respect to any additional Registration Statements which may be required pursuant to Section 2(c) or Section 3(c), the 60th calendar day following the date on which the Company first knows, that an additional Registration Statement is required to be filed hereunder (or, in the event of a "full review" by the Commission, the 90th calendar day following the date on which the Company first knows, that such additional Registration Statement is required to be filed hereunder); provided, however, that in the event the Company is notified by the Commission that one or more of the above Registration Statements will not be reviewed or is no longer subject to further review and comments, the Effectiveness Date as to such Registration Statement shall be the fifth Trading Day following the date on which the Company is so notified if such date precedes the dates otherwise required above; and provided, further, if such Effectiveness Date falls on a day that is not a Trading Day, then the Effectiveness Date shall be the next succeeding Trading Day.

"Effectiveness Period" shall have the meaning set forth in Section 2(a).

"Event" shall have the meaning set forth in Section 2(d).

"Event Date" shall have the meaning set forth in Section 2(d).

"Filing Date" means, with respect to the Initial Registration Statement required hereunder, the thirtieth calendar day following the receipt of payment of the Securities, and, with respect to any additional Registration Statements which may be required pursuant to Section 2(c) or Section 3(c), the earliest practical date on which the Company is permitted by SEC Guidance to file such additional Registration Statement related to the Registrable Securities.

"Holder" or "Holders" means the holder or holders, as the case may be, from time to time of Registrable Securities.

"Indemnified Party" shall have the meaning set forth in Section 5(c).

"Indemnifying Party" shall have the meaning set forth in Section 5(c).

"Initial Registration Statement" means the initial Registration Statement filed pursuant to this Agreement.

"Losses" shall have the meaning set forth in Section 5(a).

"Plan of Distribution" shall have the meaning set forth in Section 2(a).

"Prospectus" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated by the Commission pursuant to the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Registrable Securities" means, as of any date of determination, (a) all Shares and Warrant Shares then issued or to be issued and (b) any securities issued, dividend or other distribution, stock split, recapitalization or similar event with respect to the foregoing; provided, however, that any such Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) for so long as (a) a Registration Statement with respect to the sale of such Registrable Securities is declared effective by the Commission under the Securities Act and such Registrable Securities have been disposed of by the Holder in accordance with such effective Registration Statement, (b) such Registrable Securities have been previously sold in accordance with Rule 144, or (c) such securities become eligible for resale without volume or manner-of-sale restrictions and without current public information pursuant to Rule 144 as set forth in a written opinion letter to such effect, addressed, delivered and acceptable to the Transfer Agent and the affected Holders (assuming that such securities and any securities issuable upon exercise, conversion or exchange of which, or as a dividend upon which, such securities were issued or are issuable, were at no time held by any Affiliate of the Company, and all Warrants are exercised by "cashless exercise"), as reasonably determined by the Company, upon the advice of counsel to the Company.

"Registration Statement" means any registration statement required to be filed hereunder pursuant to Section 2(a) and any additional registration statements contemplated by Section 2(c) or Section 3(c), including (in each case) the Prospectus, amendments and supplements to any such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in any such registration statement.

"Rule 415" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule

or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Selling Stockholder Questionnaire" shall have the meaning set forth in Section 3(a).

"SEC Guidance" means (i) any publicly-available written or oral guidance of the Commission staff, or any comments, requirements or requests of the Commission staff and (ii) the Securities Act.

2. Shelf Registration.

(a) On or prior to each Filing Date, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities that are not then registered on an effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415. Each Registration Statement filed hereunder shall be on Form S-3 (except if the Company is not then eligible to register for resale the Registrable Securities on Form S-3, in which case such registration shall be on another appropriate form in accordance herewith, subject to the provisions of Section 2(e)) and shall contain (unless otherwise directed by at least 50.1% in interest of the Holders) substantially the "Plan of Distribution" attached hereto as Annex A and a "Selling Stockholder" section of the type that is customary for transactions of this kind; provided, however, that no Holder shall be required to be named as an "underwriter" without such Holder's express prior written consent. Subject to the terms of this Agreement, the Company shall use commercially reasonable efforts to cause a Registration Statement filed under this Agreement (including, without limitation, under Section 3(c)) to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event no later than the applicable Effectiveness Date, and shall use its reasonable best efforts to keep such Registration Statement continuously effective under the Securities Act until the date that all Registrable Securities covered by such Registration Statement (i) have been sold thereunder or pursuant to Rule 144, or (ii) may be sold without volume or manner-of-sale restrictions pursuant to Rule 144 and without the requirement for the Company to be in compliance with the current public information requirement under Rule 144, as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Transfer Agent and the affected Holders (the "Effectiveness Period"). The Company shall telephonically request effectiveness of a Registration Statement as of 5:00 p.m. (New York City time) on a Trading Day. The Company shall promptly notify each Holder of the effectiveness of a Registration Statement on the same Trading Day that the Company telephonically confirms effectiveness with the Commission, which shall be the date requested for effectiveness of such Registration Statement. The Company shall, in compliance with the requirements of the Securities Act, file a final Prospectus with the Commission as required by Rule 424.

(b) Notwithstanding the registration obligations set forth in Section 2(a), if the Commission informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, the Company agrees to promptly inform each of the Holders thereof and use its commercially reasonable efforts to file amendments to the Initial Registration Statement as required by the Commission, covering the maximum number of Registrable Securities permitted to be registered by the Commission, on Form S-3 or such other form available to register for resale the Registrable Securities as a secondary offering, subject to the provisions of Section 2(e); with respect to filing on Form S-3 or other appropriate form, and subject to the provisions of Section 2(d) with respect to the payment of liquidated damages; provided, however, that prior to filing such amendment, the Company agrees to use commercially reasonable efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, Compliance and Disclosure Interpretation 612.09. The Company shall not be liable for any damages under this Agreement in connection with any Registrable Securities not registered for resale on a particular Registration Statement pursuant to this Section 2(b).

(c) Notwithstanding any other provision of this Agreement, if the Commission or any SEC Guidance sets forth a limitation on the number of Registrable Securities permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company used commercially reasonable efforts to advocate with the Commission for the registration of all or a greater portion of Registrable Securities), unless otherwise directed in writing by a Holder as to its Registrable Securities, the number of Registrable Securities to be registered on such Registration Statement will be reduced as follows:

a. First, the Company shall reduce or eliminate any securities to be included other than Registrable Securities;

b. Second, the Company shall reduce Registrable Securities represented by Warrant Shares (applied, in the case that some Warrant Shares may be registered, to the Holders on a pro rata basis based on the total number of unregistered Warrant Shares held by such Holders); and

c. Third, the Company shall reduce Registrable Securities represented by Shares (applied, in the case that some Shares may be registered, to the Holders on a pro rata basis based on the total number of unregistered Shares held by such Holders).

In the event of a cutback hereunder, the Company shall give the Holder at least five (5) Trading Days prior written notice along with the calculations as to such Holder's allotment. In the event the Company amends the Initial Registration Statement in accordance with the foregoing, the Company will use its reasonable best efforts to file promptly with the Commission one or more registration statements on Form S-3 or such other form available to register for resale those Registrable Securities that were not registered for resale on the Initial Registration Statement, as amended. The Company shall not be liable for any damages under this Agreement in connection with any Registrable Securities not registered for resale on a particular Registration Statement pursuant to Sections 2(b) or 2(c).

(d) If: (i) the Initial Registration Statement is not filed on or prior to its Filing Date (if the Company files the Initial Registration Statement without affording the Holders the opportunity to review and comment on the same as required by Section 3(a) herein, the Company shall be deemed to have not satisfied this clause (i)), or (ii) the Company fails to file with the Commission a request for acceleration of a Registration Statement in accordance with Rule 461 promulgated by the Commission pursuant to the Securities Act, within five Trading Days of the date that the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be "reviewed" or will not be subject to further review, or (iii) prior to the effective date of a Registration Statement, the Company fails to file a pre-effective amendment and otherwise respond in writing to comments made by the Commission in respect of such Registration Statement within ten (10) calendar days after the receipt of comments by or notice from the Commission that such amendment is required in order for such Registration Statement to be declared effective, or (iv) a Registration Statement registering for resale all of the Registrable Securities is not declared effective by the Commission by the Effectiveness Date of the Initial Registration Statement (subject to any reductions to such Registrable Securities being registered pursuant to Sections 2(b) or 2(c), which reductions shall, for the avoidance of doubt, not cause any damages under this Section 2(d)), or (v) after the effective date of a Registration Statement, such Registration Statement ceases for any reason to remain continuously effective as to all Registrable Securities included in such Registration Statement, or the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than ten (10) consecutive calendar days or more than an aggregate of fifteen (15) calendar days (which need not be consecutive calendar days) during any 12-month period (any such failure or breach being referred to as an "Event", and for purposes of clauses (i) and (iv), the date on which such Event occurs, and for purpose of clause (ii) the date on which such five (5) Trading Day period is exceeded, and for purpose of clause (iii) the date which such ten (10) calendar day period is exceeded, and for purpose of clause (v) the date on which such ten (10) or fifteen (15) calendar day period, as applicable, is exceeded, being referred to as "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the earlier of (1) applicable Event is cured or (2) the Registrable Securities are eligible for resale pursuant to Rule 144 without manner of sale or volume restrictions, the Company shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to the product of 2.0% multiplied by the aggregate amount paid by such Holder for any unregistered Registrable Securities then held by such Holder. If the Company fails to pay any partial liquidated damages pursuant to this Section in full within seven days after the date payable, the Company will pay interest thereon at a rate of 18% per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The parties agree that (1) notwithstanding anything to the contrary herein, no liquidated damages shall be payable with respect to any period after the expiration of the Effectiveness Period so long as the Registrable Securities are eligible for resale pursuant to Rule 144 without manner of sale or volume restrictions. The effectiveness deadline for a Registration Statement shall be extended without default or liquidated damages hereunder in the event that the Company's failure to obtain the effectiveness of the Registration on a timely basis results from the failure of a Holder to timely provide the Company with information requested by the Company and necessary to complete the Registration Statement in accordance with the requirements of the Securities Act (in

which the effectiveness deadline would be extended with respect to the Registrable Securities held only by such Holder). The partial liquidated damages pursuant to the terms hereof shall apply on a daily pro rata basis for any portion of a month prior to the cure of an Event.

(e) If Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-3 as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission.

3. Registration Procedures.

In connection with the Company's registration obligations hereunder, the Company shall:

(a) Not less than three (3) Trading Days prior to the filing of each Registration Statement and not less than one (1) Trading Day prior to the filing of any related Prospectus or any amendment or supplement thereto, the Company shall (i) furnish to each Holder copies of all such documents proposed to be filed, which documents will be subject to the review of such Holders, and (ii) use commercially reasonable efforts to cause its officers and directors, counsel and independent registered public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act. Notwithstanding the foregoing, the Company shall not be required to furnish to the Holders any prospectus supplement being prepared and filed solely to name new or additional selling securityholders unless such Holders are named in such filing. The Company shall not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of a majority of the Registrable Securities shall reasonably object in good faith, provided that, the Company is notified of such objection in writing no later than two (2) Trading Days after the Holders have been so furnished copies of a Registration Statement or one (1) Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder agrees to furnish to the Company a completed questionnaire in the form attached to this Agreement as Annex B (a "Selling Stockholder Questionnaire") on a date that is not less than two (2) Trading Days prior to the Filing Date or by the end of the second (2nd) Trading Day following the date on which such Holder receives draft materials in accordance with this Section.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission 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, (iii) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration

Statement (provided that, the Company shall excise any information contained therein which would constitute material non-public information regarding the Company or any of its Subsidiaries), and (iv) comply in all material respects with the applicable provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(c) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 100% of the number of shares of Common Stock then registered in a Registration Statement, then the Company shall file as soon as reasonably practicable, but in any case prior to the applicable Filing Date, an additional Registration Statement covering the resale by the Holders of not less than the number of such Registrable Securities.

(d) Notify the Holders of Registrable Securities to be sold (which notice shall, pursuant to clauses (iii) through (vi) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (i)(A) below, not less than one (1) Trading Day prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than one (1) Trading Day following the day: (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed, (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement, and (C) with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to the Holders as Selling Stockholders of the Plan of Distribution, (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose, (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose, (v) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, 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 light of the circumstances under which they were made, not misleading, and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that the Company believes may be material and that, in the determination of the Company, makes it not in the best interest of the Company to allow continued availability of a Registration Statement or Prospectus; provided, however, that in no event shall any such notice contain any information which would constitute material, non-public information regarding the Company or any of its Subsidiaries.

(e) Use its reasonable best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order stopping or suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(f) Furnish to each Holder, without charge, at least one conformed copy of each such Registration Statement and each amendment thereto, and all exhibits to the extent reasonably requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, provided that any such item which is available on the EDGAR system (or successor thereto) need not be furnished in physical form.

(g) Subject to the terms of this Agreement, the Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3(d).

(h) Prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the Registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or Blue Sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement, provided that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(i) If requested by a Holder, cooperate with such Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holder may request.

(j) Upon the occurrence of any event contemplated by Section 3(d), as promptly as reasonably possible under the circumstances taking into account the Company's good faith assessment of any adverse consequences to the Company and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor such Prospectus will contain 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. If the Company notifies the Holders in accordance with clauses (iii)

through (vi) of Section 3(d) above to suspend the use of any Prospectus until the requisite changes to such Prospectus have been made, then the Holders shall suspend use of such Prospectus. The Company will use its reasonable best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company shall be entitled to exercise its right under this Section 3(j) to suspend the availability of a Registration Statement and Prospectus, subject to the payment of partial liquidated damages otherwise required pursuant to Section 2(d), for a period not to exceed 60 calendar days (which need not be consecutive days) in any 12-month period.

(k) Otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission under the Securities Act and the Exchange Act that are applicable to any Registration Statement or to the Registrable Holders file any final Prospectus, including any supplement or amendment thereof, with the Commission pursuant to Rule 424 under the Securities Act, or promptly inform the Holders in writing if, at any time during the Effectiveness Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, the Holders are required to deliver a Prospectus in connection with any disposition of Registrable Securities and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder.

(l) Use its reasonable best efforts to maintain eligibility for use of Form S-3 (or any successor form thereto) for the registration of the resale of Registrable Securities.

(m) The Company may require each selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and, if required by the Commission, the natural persons thereof that have voting and dispositive control over the shares. During any periods that the Company is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within three (3) Trading Days of the Company's request, any liquidated damages that are accruing at such time as to such Holder only shall be tolled and any Event that may otherwise occur solely because of such delay shall be suspended as to such Holder only, until such information is delivered to the Company.

4. Registration Expenses. All fees and expenses incident to the performance of or compliance with, this Agreement by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the Commission, (B) with respect to filings required to be made with any Trading Market on which the Common Stock is then listed for trading, and (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities), (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses

incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holders.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless each Holder, the officers, directors, members, partners, agents, and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, stockholders, partners, agents and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Agreement, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement, such Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (ii) in the case of an occurrence of an event of the type specified in Section 3(d)(iii)-(vi), the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated, defective or otherwise unavailable for use by such Holder and prior to the receipt by such Holder of the Advice contemplated in Section 6(c). The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified person and shall survive the transfer of any Registrable Securities by any of the Holders in accordance with Section 6(f).

(b) Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, to the extent arising out of or based solely upon: any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (i) to the extent, but only to the extent, that such untrue statement or omission is contained in any information so furnished in writing by such Holder to the Company expressly for inclusion in such Registration Statement or such Prospectus or (ii) to the extent, but only to the extent, that such information relates to such Holder's information provided in the Selling Stockholder Questionnaire or the proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement (it being understood that the Holder has approved Annex A hereto for this purpose), such Prospectus or in any amendment or supplement thereto. In no event shall the liability of a selling Holder be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such Holder in connection with any claim relating to this Section 5 and the amount of any damages such Holder has otherwise been required to pay by reason of such untrue statement or omission) received by such Holder upon the sale of the Registrable Securities included in the Registration Statement giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof, provided that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses, (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding, or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and counsel to the Indemnified Party shall reasonably believe that a material conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it

elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of no more than one separate counsel shall be at the expense of the Indemnifying Party). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

Subject to the terms of this Agreement, all reasonable fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within ten Trading Days of written notice thereof to the Indemnifying Party, provided that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) not to be entitled to indemnification hereunder.

(d) Contribution. If the indemnification under Section 5(a) or 5(b) is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. In no event shall the contribution obligation of a Holder of Registrable Securities be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such Holder in connection with any claim relating to this Section 5 and the amount of any damages such Holder has otherwise been required to pay by reason of such untrue

or alleged untrue statement or omission or alleged omission) received by it upon the sale of the Registrable Securities giving rise to such contribution obligation.

The indemnity and contribution agreements contained in this Section are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties.

6. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their respective obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. Each of the Company and each Holder agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall not assert or shall waive the defense that a remedy at law would be adequate.

(b) No Piggyback on Registrations; Prohibition on Filing Other Registration Statements. Except as set forth on Schedule 6(b) attached hereto, neither the Company nor any of its security holders (other than the Holders in such capacity pursuant hereto) may include securities of the Company in any Registration Statements other than the Registrable Securities. The Company shall not file any other registration statements until all Registrable Securities are registered pursuant to a Registration Statement that is declared effective by the Commission, provided that this Section 6(b) shall not prohibit the Company from filing amendments to registration statements filed prior to the date of this Agreement so long as no new securities are registered on any such existing registration statements.

(c) Discontinued Disposition. By its acquisition of Registrable Securities, each Holder agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(d)(iii) through (vi), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its reasonable best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company agrees and acknowledges that any periods during which the Holder is required to discontinue the disposition of the Registrable Securities hereunder shall be subject to the provisions of Section 2(d).

(d) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the same shall be in writing and signed by the Company and the Holders of 50.1% or more of the then outstanding Registrable Securities (for purposes of clarification, this includes any Registrable Securities issuable upon exercise or conversion of any Security), provided that, if any amendment, modification or waiver disproportionately and adversely impacts a Holder (or group of Holders), the consent of such disproportionately impacted Holder (or group of Holders) shall be required. If

a Registration Statement does not register all of the Registrable Securities pursuant to a waiver or amendment done in compliance with the previous sentence, then the number of Registrable Securities to be registered for each Holder shall be reduced pro rata among all Holders and each Holder shall have the right to designate which of its Registrable Securities shall be omitted from such Registration Statement. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of a Holder or some Holders and that does not directly or indirectly affect the rights of other Holders may be given only by such Holder or Holders of all of the Registrable Securities to which such waiver or consent relates; provided, however, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the first sentence of this Section 6(d). No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

(e) Notices. Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given as hereinafter described: (i) if given by personal delivery, then such notice shall be deemed given upon such delivery; (ii) if given by facsimile, then such notice shall be deemed given upon receipt of confirmation of complete transmittal; (iii) if given by mail, then such notice shall be deemed given upon the earlier of (A) receipt of such notice by the recipient or (B) three (3) days after such notice is deposited in first class mail, postage prepaid; and (iv) if given by an internationally recognized overnight air courier, then such notice shall be deemed given one (1) Business Day after delivery to such carrier. All notices shall be addressed to the party to be notified at the address as follows, or at such other address as such party may designate by ten (10) days' advance written notice to the other party:

If to the Company:

Rezolute, Inc.
275 Shoreline Drive, Suite 500
Redwood City, CA 94065
Attn: Nevan Elam, CEO

With a copy to:

Dorsey & Whitney LLP,
1400 Wewatta Street, Suite 400
Denver, CO 80202-5549
Attn: Anthony W. Epps, Esq.

If to the Holders:

to the addresses set forth on the signature pages hereto.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the

benefit of each Holder. The Company may not assign (except by merger) its rights or obligations hereunder without the prior written consent of all of the Holders of the then outstanding Registrable Securities. Each Holder may assign their respective rights hereunder in the manner and to the Persons as permitted under the Warrant.

(g) No Inconsistent Agreements. Neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof.

(h) Execution and Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together 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, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Nevada applicable to agreements made and to be performed in such state. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("Related Proceedings") may be instituted in the federal courts of the United States of America located in the courts of the State of Nevada (collectively, the "Specified Courts"), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a "Related Judgment"), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

(j) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(k) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would

have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(l) Headings. The headings in this Agreement are for convenience only, do not constitute a part of the Agreement and shall not be deemed to limit or affect any of the provisions hereof.

(m) Independent Nature of Holders' Obligations and Rights. The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder hereunder, and no Holder shall be responsible in any way for the performance of the obligations of any other Holder hereunder. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by any Holder pursuant hereto or thereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of group or entity, or create a presumption that the Holders are in any way acting in concert or as a group or entity with respect to such obligations or the transactions contemplated by this Agreement or any other matters, and the Company acknowledges that the Holders are not acting in concert or as a group, and the Company shall not assert any such claim, with respect to such obligations or transactions. Each Holder shall be entitled to protect and enforce its rights, including without limitation the rights arising out of this Agreement, and it shall not be necessary for any other Holder to be joined as an additional party in any proceeding for such purpose. The use of a single agreement with respect to the obligations of the Company contained in this Agreement was solely in the control of the Company, not the action or decision of any Holder, and was done solely for the convenience of the Company and not because it was required or requested to do so by any Holder. It is expressly understood and agreed that each provision contained in this Agreement is between the Company and a Holder, solely, and, except as described herein, is not between the Company and the Holders collectively and not between and among Holders.

(n) Furnishing of Information; Compliance. Each Holder shall furnish in writing to the Company such information regarding itself, the Registrable Securities held by it and the intend method of disposition of the Registrable Securities held by it, as shall be reasonably requested by the Company to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Securities pursuant to the Registration Statement.

****

(Signature Pages Follow)

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

Rezolute, Inc.

By: _____
Name: Nevan Elam
Title: Chief Executive Officer

[SIGNATURE PAGE OF HOLDERS FOLLOWS]

Name of Holder: _____
Address of Holder: _____
Signature of Authorized Signatory of Holder: _____
Name of Authorized Signatory: _____
Title of Authorized Signatory: _____

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Annex A

Plan of Distribution

Each Selling Stockholder (the "Selling Stockholders") of the securities and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their securities covered hereby on the principal Trading Market or any other stock exchange, market or trading facility on which the securities are traded or in private transactions. These sales may be at fixed or negotiated prices. A Selling Stockholder may use any one or more of the following methods when selling securities:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales;
- in transactions through broker-dealers that agree with the Selling Stockholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Stockholders may also sell securities under Rule 144 or any other exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"), if available, rather than under this prospectus.

Broker-dealers engaged by the Selling Stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the Selling Stockholders (or, if any broker-dealer acts as agent for the purchaser of securities, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to this Prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with FINRA Rule 2121; and in the case of a principal transaction a markup or markdown in compliance with FINRA Rule 2121.

In connection with the sale of the securities or interests therein, the Selling Stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the securities in the course of hedging the positions they assume. The Selling Stockholders may also sell securities short and deliver these securities to close out their short positions, or loan or pledge the securities to broker-dealers that in turn may sell these securities. The Selling Stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or create one or more derivative securities which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The Selling Stockholders and any broker-dealers or agents that are involved in selling the securities may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the securities purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Each Selling Stockholder has informed the Company that it does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the securities.

The Company is required to pay certain fees and expenses incurred by the Company incident to the registration of the securities. The Company has agreed to indemnify the Selling Stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

We agreed to keep this prospectus effective until the earlier of (i) the date on which the securities may be resold by the Selling Stockholders without registration and without regard to any volume or manner-of-sale limitations by reason of Rule 144, without the requirement for the Company to be in compliance with the current public information under Rule 144 under the Securities Act or any other rule of similar effect or (ii) all of the securities have been sold pursuant to this prospectus or Rule 144 under the Securities Act or any other rule of similar effect. The resale securities will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale securities covered hereby may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the resale securities may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the Selling Stockholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of the common stock by the Selling Stockholders or any other person. We will make copies of this prospectus available to the Selling Stockholders and have informed them of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

Annex B

Rezolute, Inc.
Selling Stockholder Notice and Questionnaire

The undersigned beneficial owner of common stock (the "Registrable Securities") of Rezolute, Inc., a Nevada corporation (the "Company"), understands that the Company has filed or intends to file with the Securities and Exchange Commission (the "Commission") a registration statement (the "Registration Statement") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the "Registration Rights Agreement") to which this document is annexed. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling stockholder in the Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling stockholder in the Registration Statement and the related prospectus.

NOTICE

The undersigned beneficial owner (the "Selling Stockholder") of Registrable Securities hereby elects to include the Registrable Securities owned by it in the Registration Statement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

QUESTIONNAIRE

1. Name.

(a) Full Legal Name of Selling Stockholder

-

(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities are held:

-

(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by this Questionnaire):

-

2. Address for Notices to Selling Stockholder:

Telephone:

Fax:

Contact Person:

3. Broker-Dealer Status:

(a) Are you a broker-dealer?

Yes ☐ No ☐

(b) If "yes" to Section 3(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If "no" to Section 3(b), the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

(d) If you are an affiliate of a broker-dealer, do you certify that you purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If "no" to Section 3(d), the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

4. Beneficial Ownership of Securities of the Company Owned by the Selling Stockholder.

Except as set forth below in this Item 4, the undersigned is not the beneficial or registered owner of any securities of the Company other than the securities issuable pursuant to the Underwriting Agreement.

(a) Type and Amount of other securities beneficially owned by the Selling Stockholder:

5. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the

undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

-

The undersigned agrees to promptly notify the Company of any material inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective; provided, that the undersigned shall not be required to notify the Company of any changes to the number of securities held or owned by the undersigned or its affiliates.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 5 and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus and any amendments or supplements thereto.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Date:

Beneficial Owner:
By: _____
Name:
Title:

PLEASE FAX A COPY (OR EMAIL A .PDF COPY) OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE TO:

4879-0208-0199\1

Exhibit 21.1

Subsidiaries of the Registrant

Name of Entity	Formation Date	Jurisdiction of Incorporation	Holder of Stock
Rezolute Bio UK, Ltd	July 11, 2019	United Kingdom	Rezolute, Inc.
Rezolute (Bio) Ireland Limited	July 19, 2019	Ireland	Rezolute, Inc.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated September 19, 2024 with respect to the consolidated financial statements included in the Annual Report of Rezolute, Inc. on Form 10-K for the year ended June 30, 2024. We consent to the incorporation by reference of said report in the Registration Statement of Rezolute, Inc. on Forms S-1 (File Nos. 333-234766 and 333-233310); Forms S-3 (File Nos. 333-250073, 333-251498, 333-265703, 333-268046, 333-275562 and 333-281257); and Forms S-8 (File Nos. 333-258222 and 333-268221).

/s/ GRANT THORNTON LLP

Newport Beach, California
September 19, 2024

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-1 (File Nos. 333-234766 and 333-233310); S-3 (File Nos. 333-250073, 333-251498, 333-265703, 333-268046, 333-275562 and 333-281257); and Form S-8 (File Nos. 333-258222 and 333-268221) of our report dated September 14, 2023 with respect to the consolidated financial statements of Rezolute, Inc. as of and for the year ended June 30, 2023, that appears in this Annual Report on Form 10-K.

/s/ Plante & Moran, PLLC

September 19, 2024
Cleveland, Ohio

EXHIBIT 31.1

CERTIFICATIONS

I, Nevan Charles Elam, certify that:

1. I have reviewed this annual report on Form 10-K of Rezolute, Inc.;

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. As the Registrant's certifying officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   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 (fourth 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. As the Registrant's certifying officer, I have disclosed, based on my 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:

   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: September 19, 2024

By: /s/ Nevan Charles Elam
Nevan Charles Elam
Chief Executive Officer
(Principal Executive and Financial 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 annual report of Rezolute, Inc. (the "Company") on Form 10-K for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nevan Charles Elam, 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: September 19, 2024

By: /s/ Nevan Charles Elam
Nevan Charles Elam
Chief Executive Officer
(Principal Executive and Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Rezolute, Inc. and will be retained by Rezolute, Inc. Inc. to be furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 97

REZOLUTE, INC.

INCENTIVE COMPENSATION RECOVERY POLICY

1. Introduction.

The Board of Directors of Rezolute, Inc., a Nevada corporation (the "**Corporation**") believes that it is in the best interests of the Corporation and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Corporation's compensation philosophy. The Board has therefore adopted this policy, which provides for the recovery of erroneously awarded incentive compensation in the event that the Corporation is required to prepare an accounting restatement due to material noncompliance of the Corporation with any financial reporting requirements under the federal securities laws (the "**Policy**"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), related rules and the listing standards of The Nasdaq Stock Market or any other securities exchange on which the Corporation's shares are listed in the future.

2. Administration.

This Policy shall be administered by the Board or, if so designated by the Board, the Compensation Committee (the "**Committee**"), in which case, all references herein to the Board shall be deemed references to the Committee. Any determinations made by the Board shall be final and binding on all affected individuals.

3. Covered Executives.

Unless and until the Board determines otherwise, for purposes of this Policy, the term "**Covered Executive**" means a current or former employee who is or was identified by the Corporation as the Corporation's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Corporation in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (including any executive officer of the Corporation's subsidiaries or affiliates) who performs similar policy-making functions for the Corporation. "Policy-making function" excludes policy-making functions that are not significant. "Covered Executives" will include, at minimum, the executive officers identified by the Corporation pursuant to Item 401(b) of Regulation S-K of the Exchange Act. For the avoidance of doubt, "Covered Executives" will include at least the following Corporation officers: CEO, CMO, CFO and any other officer who performs these functions.

This Policy covers Incentive Compensation received by a person after beginning service as a Covered Executive and who served as a Covered Executive at any time during the performance period for that Incentive Compensation.

4. Recovery: Accounting Restatement.

In the event of an "Accounting Restatement," the Corporation will recover reasonably promptly any excess Incentive Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Corporation is required to prepare an Accounting Restatement, including transition periods resulting from a change in the Corporation's fiscal year as provided in Rule 10D-1 of the Exchange Act. Incentive Compensation is deemed **"received"** in the Corporation's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

(a) Definition of Accounting Restatement.

For the purposes of this Policy, an "**Accounting Restatement**" means the Corporation is required to prepare an accounting restatement of its financial statements filed with the Securities and Exchange Commission (the "**SEC**") due to the Corporation's material noncompliance with any financial reporting requirements under the federal securities laws (including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period).

The determination of the time when the Corporation is **"required"** to prepare an Accounting Restatement shall be made in accordance with applicable SEC and national securities exchange rules and regulations.

An Accounting Restatement does not include situations in which financial statement changes did not result from material non-compliance with financial reporting requirements, such as, but not limited to retrospective: (i) application of a change in accounting principles; (ii) revision to reportable segment information due to a change in the structure of the Corporation's internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; (v) adjustment to provision amounts in connection with a prior business combination; and (vi) revision for stock splits, stock dividends, reverse stock splits or other changes in capital structure.

(b) Definition of Incentive Compensation.

For purposes of this Policy, "**Incentive Compensation**" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, including, for example, bonuses or awards under the Corporation's short and long-term incentive plans, grants and awards under the Corporation's equity incentive plans, and contributions of such bonuses or awards to the Corporation's deferred compensation plans or other employee benefit plans. Incentive Compensation does not include awards which are granted, earned and

vested without regard to attainment of Financial Reporting Measures, such as time-vesting awards, discretionary awards and awards based wholly on subjective standards, strategic measures or operational measures.

(c) Financial Reporting Measures.

"Financial Reporting Measures" are those that are determined and presented in accordance with the accounting principles used in preparing the Corporation's financial statements (including non-GAAP financial measures) and any measures derived wholly or in part from such financial measures. For the avoidance of doubt, Financial Reporting Measures include stock price and total shareholder return. A measure need not be presented within the financial statements or included in a filing with the SEC to constitute a Financial Reporting Measure for purposes of this Policy.

(d) Excess Incentive Compensation: Amount Subject to Recovery.

The amount(s) to be recovered from the Covered Executive will be the amount(s) by which the Covered Executive's Incentive Compensation for the relevant period(s) exceeded the amount(s) that the Covered Executive otherwise would have received had such Incentive Compensation been determined based on the restated amounts contained in the Accounting Restatement. All amounts shall be computed without regard to taxes paid.

For Incentive Compensation based on Financial Reporting Measures such as stock price or total shareholder return, where the amount of excess compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Board will calculate the amount to be reimbursed based on a reasonable estimate of the effect of the Accounting Restatement on such Financial Reporting Measure upon which the Incentive Compensation was received. The Corporation will maintain documentation of that reasonable estimate and will provide such documentation to the applicable national securities exchange.

(e) Method of Recovery.

The Board will determine, in its sole discretion, the method(s) for recovering reasonably promptly excess Incentive Compensation hereunder. Such methods may include, without limitation:

(i) requiring reimbursement of compensation previously paid;

(ii) forfeiting any compensation contribution made under the Corporation's deferred compensation plans, as well as any matching amounts and earnings thereon;

(iii) offsetting the recovered amount from any compensation that the Covered Executive may earn or be awarded in the future (including, for the avoidance of doubt, recovering amounts earned or awarded in the future to

such individual equal to compensation paid or deferred into tax–qualified plans or plans subject to the Employee Retirement Income Security Act of 1974 (collectively, **"Exempt Plans"**); *provided that,* no such recovery will be made from amounts held in any Exempt Plan of the Corporation);

(iv) taking any other remedial and recovery action permitted by law, as determined by the Board; or

(v) some combination of the foregoing.

5. No Indemnification or Advance.

Subject to applicable law, the Corporation shall not indemnify, including by paying or reimbursing for premiums for any insurance policy covering any potential losses, any Covered Executives against the loss of any erroneously awarded Incentive Compensation, nor shall the Corporation advance any costs or expenses to any Covered Executives in connection with any action to recover excess Incentive Compensation.

6. Interpretation.

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC or any national securities exchange on which the Corporation's securities are listed.

7. Effective Date.

The effective date of this Policy is October 2, 2023 (the "**Effective Date**"). This Policy applies to Incentive Compensation received by Covered Executives on or after the Effective Date that results from attainment of a Financial Reporting Measure based on or derived from financial information for any fiscal period ending on or after the Effective Date. Without limiting the scope or effectiveness of this Policy, Incentive Compensation granted or received by Covered Executives prior to the Effective Date will be subject to this Policy. In addition, this Policy is intended to be and will be incorporated as an essential term and condition of any Incentive Compensation agreement, plan or program that the Corporation establishes or maintains on or after the Effective Date.

8. Amendment and Termination.

The Board may amend this Policy from time to time in its discretion, and shall amend this Policy as it deems necessary to reflect changes in regulations adopted by the SEC under Section 10D of the Exchange Act and to comply with any rules or standards adopted by The Nasdaq Stock Market or any other securities exchange on which the Corporation's shares are listed in the future.

9. Other Recovery Rights.

The Board intends that this Policy will be applied to the fullest extent of the law. Upon receipt of this Policy, each Covered Executive is required to complete the Receipt and Acknowledgement attached as Schedule A to this Policy. The Board may require that any employment agreement or similar agreement relating to Incentive Compensation received on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recovery under this Policy is in addition to, and not in lieu of, any (i) other remedies or rights of compensation recovery that may be available to the Corporation pursuant to the terms of any similar policy in any employment agreement, or similar agreement relating to Incentive Compensation, unless any such agreement expressly prohibits such right of recovery, and (ii) any other legal remedies available to the Corporation. The provisions of this Policy are in addition to (and not in lieu of) any rights to repayment the Corporation may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable laws.

10. Impracticability.

The Corporation shall recover any excess Incentive Compensation in accordance with this Policy, except to the extent that certain conditions are met and the Board has determined that such recovery would be impracticable, all in accordance with Rule 10D-1 of the Exchange Act and The Nasdaq Stock Market or any other securities exchange on which the Corporation's shares are listed in the future.

11. Successors.

This Policy shall be binding upon and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.