

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

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 1, 2025

ARTELO BIOSCIENCES, INC.

(Exact name of Company as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation)	<u>001-38951</u> (Commission File Number)	<u>33-1220924</u> (IRS Employer Identification No.)
<u>505 Lomas Santa Fe, Suite 160</u> <u>Solana Beach, CA USA</u> (Address of principal executive offices)		<u>92075</u> (Zip Code)

(858) 925-7049  
(Company's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

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

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001 per share	ARTL	The Nasdaq Stock Market LLC

Indicate by check mark whether the Company is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the Company 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. ☐

**Item 1.01. Entry into a Material Definitive Agreement.**

On August 1, 2025 (the “Effective Date”), Artelo Biosciences, Inc. (the “Company”) entered into a Consulting Agreement (the “Consulting Agreement”) with ABK Labs, Inc., a Delaware corporation (“ABK Labs”). Pursuant to the Consulting Agreement, ABK Labs will provide strategic advisory services to the Company related to the development, implementation, and communication of the Company’s digital asset strategy, as well as business development, financial and technical advisory, investor relations, and other related support services. The term of the Consulting Agreement is four years from the Effective Date, with automatic renewal for additional 12-month periods unless terminated by either party upon 30 days’ prior written notice.

As consideration for the services to be provided under the Consulting Agreement, the Company has agreed, subject to approval by the Company’s board of directors, to issue to ABK Labs warrants (the “ABK Labs Warrants”) to purchase up to 55,000 shares of the Company’s common stock, par value \$0.001 per share, at an exercise price of \$10.20 per share.

The ABK Labs Warrants will vest and become exercisable in tranches, subject to ABK Labs’ continued service and the achievement of certain performance milestones, including the Company’s market capitalization reaching specified thresholds. The ABK Labs Warrants provide for acceleration of vesting upon the achievement of certain milestones or in connection with certain termination or change in control events, as described in the ABK Labs Warrants. Any unvested portion of the ABK Labs Warrants will be forfeited upon termination of service, subject to certain exceptions. The ABK Labs Warrants are exercisable for cash or on a cashless basis, and are subject to adjustment in the event of stock splits, combinations, mergers, or similar events. The ABK Labs Warrants and the shares issuable upon exercise thereof have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), and may not be transferred or exercised except pursuant to an effective registration statement or an available exemption from registration. The ABK Labs Warrants will be issued pursuant to the exemption from registration provided by Section 4(a)(2) of the Securities Act and in reliance on similar exemptions under applicable state laws.

The Consulting Agreement contains customary confidentiality, indemnification, and termination provisions. ABK Labs will serve as an independent contractor.

The foregoing descriptions of the ABK Labs Warrants and the Consulting Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of such documents, which are filed as Exhibits 4.1 and 10.1, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

**Item 3.02. Unregistered Sales of Equity Securities.**

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference. The securities described herein have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Neither this Current Report on Form 8-K nor any exhibit attached hereto is an offer to sell or the solicitation of an offer to buy shares of common stock or other securities of the Company.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>4.1*</u></a>	<a href="#"><u>Common Stock Warrant issued to ABK Labs, Inc., dated August 1, 2025</u></a>
<a href="#"><u>10.1</u></a>	<a href="#"><u>Consulting Agreement by and between Artelo Biosciences, Inc. and ABK Labs, Inc., dated August 1, 2025</u></a>

\* Portions of this exhibit have been omitted pursuant to Item 601 of Regulation S-K.

## SIGNATURES

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

Date: August 7, 2025

**ARTELO BIOSCIENCES, INC.**

/s/ Gregory D. Gorgas

Name: Gregory D. Gorgas

Title: Chief Executive Officer and President

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. SUCH EXCLUDED INFORMATION HAS BEEN MARKED WITH [\*\*\*].

NEITHER THIS SECURITY NOR ANY SECURITIES WHICH MAY BE ISSUED UPON EXERCISE OF THIS SECURITY HAVE BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY U.S. STATE OR OTHER JURISDICTION OR ANY EXCHANGE OR SELF-REGULATORY ORGANIZATION, IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND SUCH OTHER LAWS AND REQUIREMENTS, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR LISTING OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, SUCH REGISTRATION AND/OR LISTING REQUIREMENTS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH WILL BE REASONABLY ACCEPTABLE TO THE COMPANY.

ARTELO BIOSCIENCES, INC.

COMMON STOCK WARRANT

No. 25-0801

Issuance Date: August 1, 2025

Artelo Biosciences, Inc., a Nevada corporation (the “*Company*”), hereby certifies that ABK Labs, Inc., a Delaware corporation, its permissible transferees, designees, successors and assigns (collectively, the “*Holder*”), for value received, is entitled to purchase from the Company up to 55,000 shares (each, a “*Share*” and collectively the “*Shares*”) of the Company’s common stock, par value \$0.001 (the “*Common Stock*”), at an exercise price per Share of \$10.20 (the “*Exercise Price*”), subject to the provisions and upon the terms and conditions hereinafter set forth (the “*Warrant*”). The shares purchasable upon the exercise of this Warrant, as adjusted from time to time pursuant to the provisions of this Warrant, are hereinafter referred to as the “*Warrant Shares*.”

This Warrant shall expire and shall no longer be exercisable three (3) months after the termination of the Holder’s Service for any reason, or at such later time as the Board of Directors may determine; *provided*, that if such termination occurs prior to the six (6)-month anniversary of any Change in Control, then this Warrant shall expire and shall no longer be exercisable six (6) months after the termination of the Holder’s Service, or at such later time as the Board of Directors may determine.

**1. Definitions; Vesting; Exercise.**

- (a) *Definitions.* For purposes of this Warrant:
- (a) “*Board of Directors*” means the Board of Directors of the Company, as constituted from time to time or, if a Committee has been appointed, such Committee.
- (b) “*Cause*” means any of the following:

- a. The continued failure of the Holder to substantially perform the Service (other than any such failure resulting from incapacity due to physical or mental illness) after a demand for substantial performance is delivered to the Holder which specifically identifies the manner in which the Company (or its successor or affiliate) believes that the Holder has not substantially performed.
  - b. The willful engagement by the Holder in illegal conduct or the conviction of, or plea of guilty or nolo contendere to, a felony or crime involving moral turpitude.
  - c. The commission of an act by Holder, or the failure of Holder to act, in its performance of the Service, which constitutes gross negligence or material misconduct; *provided*, that no such act, or failure to act, will be considered “willful” if the Holder reasonably believed that the action or omission was in, or not opposed to, the best interests of the Company (or its successor or affiliate).
  - d. The breach by the Holder of any material provision of this Agreement or any consulting agreement between the Holder and the Company or any Parent or Subsidiary or the violation by the Holder of any material written policy of the Company or any Parent or Subsidiary.
- (c) “**Change in Control**” of the Company means the occurrence of any of the following events:
- a. The event of any “person” or “group” (within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) becoming the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act), directly or indirectly, of more than fifty percent (50%) of the then outstanding Common Stock of the Company.
  - b. A consolidation, merger or plan of exchange involving the Company (“**Merger**”) as a result of which the holders of outstanding securities of the Company ordinarily having the right to vote for the election of directors (“**Voting Securities**”) immediately prior to the Merger do not continue to hold at least 50% of the combined voting power of the outstanding Voting Securities of the surviving corporation or a parent corporation of the surviving corporation immediately after the Merger, disregarding any Voting Securities issued to or retained by such holders in respect of securities of any other party to the Merger.
  - c. A sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company.

- (d) “**Consultant**” means a person, excluding Employees and Outside Directors, who performs bona fide services for the Company, a Parent or a Subsidiary as a consultant or advisor.
- (e) “**Employee**” means any individual who is an employee of the Company, a Parent or a Subsidiary, or who is a statutory employee, *pro labore* manager or statutory director of the Company, a Parent or a Subsidiary.
- (f) “**First Performance Milestone**” means the Company’s Market Capitalization equaling or exceeding \$[\*\*\*] for any period of thirty (30) consecutive Trading Days occurring on or prior to the fourth (4th) anniversary of the Vesting Commencement Date.
- (g) “**Market Capitalization**” means, on any trading day, the product of (A) the closing price of one share of Common Stock on the principal exchange or market on which the Common Stock is then traded, multiplied by (B) the number of shares of Common Stock issued and outstanding as reported in the Company’s most recently filed periodic report with the U.S. Securities and Exchange Commission.
- (h) “**Officer**” means any individual who is an officer of the Company, a Parent or a Subsidiary.
- (i) “**Outside Director**” means a member of the Board of Directors or similar body of a Parent or a Subsidiary who is not an Employee.
- (j) “**Parent**” means any entity (other than the Company) in an unbroken chain of entities ending with the Company, if each of the entities other than the Company owns equity interests possessing 50% or more of the total combined voting power of all classes of stock or equity interests in one of the other entities in such chain.
- (k) “**Second Performance Milestone**” means the Company’s Market Capitalization equaling or exceeding \$[\*\*\*] for any period of thirty (30) consecutive Trading Days occurring on or prior to the fourth (4th) anniversary of the Vesting Commencement Date.
- (l) “**Service**” means service as an Employee, Outside Director, Officer or Consultant, and may include Service by a beneficial owner of Holder (and not Holder directly).
- (m) “**Subsidiary**” means any entity (other than the Company) in an unbroken chain of entities beginning with the Company, if each of the entities other than the last entity in the unbroken chain owns equity interests possessing 50% or more of the total combined voting power of all classes of equity interest in one of the other entities in such chain. An entity that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

- (n) “**Trading Day**” means a day on which the principal exchange or market on which the Common Stock is then listed or quoted is open for trading.
- (o) “**U.S. Person**” shall mean a person described in Rule 902(k) of Regulation S of the Securities Act (or any successor rule or provision), which generally defines a U.S. person as any natural person resident in the United States, any estate of which any executor or administrator is a U.S. Person, or any trust of which any trustee is a U.S. Person.
- (p) “**Vesting Commencement Date**” shall mean August 1, 2025.

(b) *Vesting*. Subject to the Holder’s continuous Service through each applicable vesting date (except as otherwise provided below) and subject to the other terms and conditions of this Warrant, the Shares subject to this Warrant shall vest and become exercisable as follows:

(i) Base-Compensation Tranche. Fifteen Thousand (15,000) Shares shall vest in equal monthly installments over the twenty-four (24) month period beginning on the Vesting Commencement Date, with 1/24th of such Shares vesting on each monthly anniversary of the Vesting Commencement Date.

(ii) Longer-Horizon Tranche. Fifteen Thousand (15,000) Shares (the “**Longer-Horizon Tranche**”) shall vest in four (4) equal annual installments on each of the first four (4) anniversaries of the Vesting Commencement Date; provided, however, that if the First Performance Milestone is achieved at any time prior to the fourth (4th) anniversary of the Vesting Commencement Date, then all then-unvested Shares in the Longer-Horizon Tranche shall vest in full immediately upon the date the First Performance Milestone is achieved.

(iii) First Performance Kicker Tranche. Ten Thousand (10,000) Shares shall vest in full and become immediately exercisable upon the achievement of the First Performance Milestone.

(iv) Outperformance Kicker Tranche. Fifteen Thousand (15,000) Shares shall vest in full and become immediately exercisable upon the achievement of the Second Performance Milestone.

(v) Forfeiture Upon Termination. Any Shares that are not vested and exercisable as of the date of the termination of the Holder’s Service (after giving effect to any accelerated vesting provided for above) shall automatically and without consideration be forfeited and shall no longer be eligible for purchase hereunder as of the date of such termination.

(vi) Time-Limited Single Trigger Acceleration. If on or before the first anniversary of the Vesting Commencement Date the Agreement is terminated by the Company (or its successor) without Cause, then all unvested Shares subject to the vesting conditions set forth in **Section 1(b)(i)** will immediately vest as of such date.

(vii) Double-Trigger Acceleration. If a Change in Control of the Company occurs, and at any time after the Change in Control and on or before the first anniversary of the Change in Control the Agreement is terminated by the Company (or its successor) without Cause, then all unvested Shares subject to the vesting conditions set forth in **Section 1(b)(i) and 1(b)(ii)** will immediately vest as of such date.



(c) *Exercise*. Subject to the terms and provisions herein, any vested Shares may be exercised by the Holder at any time, in whole or in part, but only to the extent that such Shares had become exercisable before the Holder's Service terminated (or became exercisable as a result of the termination, when applicable).

## **2. Method of Exercise; Payment**

(a) *Exercise by Holder*. The purchase rights represented by this Warrant may be exercised for cash, by the Holder, in whole or in part, at any time as specified above, or from time to time, by the surrender of this Warrant (with the notice of exercise form (the "**Notice of Exercise**") attached hereto as **Exhibit A** duly executed) at the principal office of the Company, and by payment to the Company of an amount equal to the Exercise Price multiplied by the number of the Shares being purchased, which amount may be paid, at the election of the Holder, by wire transfer or check payable to the order of the Company. The person or persons in whose name(s) any certificate(s) representing Shares shall be issuable upon exercise of this Warrant shall be deemed to have become the holder(s) of record of, and shall be treated for all purposes as the record holder(s) of, the Shares represented thereby (and such Shares shall be deemed to have been issued) immediately prior to the close of business on the date or dates upon which this Warrant is exercised.

(b) Alternatively, Holder may exercise this Warrant, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

- (A) equals the closing price of the Company's Common Stock, as reported on the Nasdaq exchange (or if such shares are no longer trading on Nasdaq, then the exchange on which the Company's Common Stock is then listed and if the Company's Common Stock is no longer traded on an exchange, then the primary public market, e.g. the OTC market, on which the Company's Common Stock is then traded) on the trading date preceding the date of the election to exercise; or, if the Company's Common Stock is not then listed or traded on an exchange or a public trading market, then the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holder and the Company, the fees and expenses of which shall be paid by the Company;
- (B) equals the Exercise Price, as adjusted from time to time in accordance herewith; and
- (X) equals the number of Shares Holder wishes to exercise in accordance with the terms of this Warrant by means of a cashless exercise.

(c) *Stock Certificates*. In the event of any exercise of the rights represented by this Warrant, as promptly as practicable after this Warrant is surrendered and delivered to the Company along with all other appropriate documentation on or after the date of exercise and in any event within ten (10) days thereafter, the Company at its expense shall issue and deliver to the person or persons entitled to receive the same a certificate or certificates for the number of Shares issuable upon such exercise. In the event this Warrant is exercised in part, the Company at its expense will execute and deliver a new Warrant of like tenor exercisable for the number of Shares for which this Warrant may then be exercised.

(d) *Taxes.* The issuance of the Shares upon the exercise of this Warrant, and the delivery of certificates or other instruments representing such Shares, shall be made without charge to the Holder for any tax or other charge in respect of such issuance.

(e) *Acknowledgment.* **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this Section 2, following the purchase of a portion of the Shares hereunder, the number of Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

### **3. Warrant.**

(a) *Transfer and Replacement.* Subject to compliance with applicable securities laws, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto as Exhibit B duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees and in the denomination or denominations specified in such instrument of assignment and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. A Warrant, if properly assigned, may be exercised by a new holder for the purchase of Shares without having a new Warrant issued. The Holder consents that the Company may, if it desires, permit the transfer of this Warrant out of the Holder's name only when the Holder's request for transfer is accompanied by an opinion of counsel reasonably satisfactory to the Company that neither the sale nor the proposed transfer results in a violation of the Securities Act of 1933, as amended (the "*Securities Act*"), or any applicable state "blue sky" laws. At any time prior to the exercise hereof, this Warrant may be exchanged upon presentation and surrender to the Company, alone or with other warrants of like tenor of different denominations registered in the name of the same Holder, for another warrant or warrants of like tenor in the name of such Holder exercisable for the aggregate number of Shares as the warrant or warrants surrendered.

(b) *Replacement of Warrant.* Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of any such loss, theft, or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company, at its expense, will execute and deliver in lieu thereof, a new Warrant of like tenor.

(c) *Cancellation; Payment of Expenses.* Upon the surrender of this Warrant in connection with any transfer, exchange or replacement as provided in this **Section 3**, this Warrant shall be promptly canceled by the Company. The Holder shall pay all taxes and all other expenses (including legal expenses, if any, incurred by the Holder or transferees) and charges payable in connection with the preparation, execution and delivery of Warrants pursuant to this **Section 3**.

(d) *Warrant Register.* The Company shall maintain, at its principal executive offices (or at the offices of the transfer agent for the Warrant or such other office or agency of the Company as it may designate by notice to the holder hereof), a register for this Warrant (the "*Warrant Register*"), in which the Company shall record the name and address of the person in whose name this Warrant has been issued, as well as the name and address of each transferee and each prior owner of this Warrant.

#### **4. Rights and Obligations of Holders of this Warrant**

The Holder of this Warrant shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or in equity; provided, however, that in the event any certificate representing shares of Common Stock or other securities is issued to the holder hereof upon exercise of this Warrant, such holder shall, for all purposes, be deemed to have become the holder of record of such Common Stock on the date on which this Warrant, together with a duly executed Notice of Exercise, was surrendered and payment of the aggregate Exercise Price was made, irrespective of the date of delivery of such Common Stock certificate.

#### **5. Adjustments.**

During the Exercise Period, the Exercise Price and the number of Shares shall be subject to adjustment from time to time as provided in this **Section 5**.

(a) *Subdivision or Combination of Common Stock.* If the Company at any time subdivides (by any stock split, stock dividend, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a greater number of shares, then, after the date of record for effecting such subdivision, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced. If the Company at any time combines (by reverse stock split, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a smaller number of shares, then, after the date of record for effecting such combination, the Exercise Price in effect immediately prior to such combination will be proportionately increased.

(b) *Adjustment in Number of Shares.* Upon each adjustment of the Exercise Price pursuant to the provisions of this **Section 5**, the number of shares of Common Stock issuable upon exercise of this Warrant shall be adjusted by multiplying a number equal to the Exercise Price in effect immediately prior to such adjustment by the number of shares of Common Stock issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product so obtained by the adjusted Exercise Price.

(c) *Consolidation, Merger or Sale.* In case of any consolidation of the Company with, or merger of the Company into any other corporation, or in case of any sale or conveyance of all or substantially all of the assets of the Company other than in connection with a plan of complete liquidation of the Company, then as a condition of such consolidation, merger or sale or conveyance, adequate provision will be made whereby the holder of this Warrant will have the right to acquire and receive upon exercise of this Warrant in lieu of the shares of Common Stock immediately theretofore acquirable upon the exercise of this Warrant, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for the number of shares of Common Stock immediately theretofore acquirable and receivable upon exercise of this Warrant had such consolidation, merger or sale or conveyance not taken place. In any such case, the Company will make appropriate provision to insure that the provisions of this **Section 5** hereof will thereafter be applicable as nearly as may be in relation to any shares of stock or securities thereafter deliverable upon the exercise of this Warrant. The Company will not effect any consolidation, merger or sale or conveyance unless prior to the consummation thereof, the successor corporation (if other than the Company) assumes by written instrument the obligations under this **Section 5** and the obligations to deliver to the holder of this Warrant such shares of stock, securities or assets as, in accordance with the foregoing provisions, the holder may be entitled to acquire.

(d) *Distribution of Assets.* In case the Company shall declare or make any distribution of its assets (including cash) to holders of Common Stock as a partial liquidating dividend, by way of return of capital or otherwise, then, after the date of record for determining shareholders entitled to such distribution, but prior to the date of distribution, the holder of this Warrant shall be entitled upon exercise of this Warrant for the purchase of any or all of the shares of Common Stock subject hereto, to receive the amount of such assets which would have been payable to the holder had such holder been the holder of such shares of Common Stock on the record date for the determination of shareholders entitled to such distribution.

(e) *Notice of Adjustment.* Upon the occurrence of any event which requires any adjustment of the Exercise Price, then, and in each such case, the Company shall give notice thereof to the holder of this Warrant, which notice shall state the Exercise Price resulting from such adjustment and the increase or decrease in the number of Shares purchasable at such price upon exercise, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Such calculation shall be certified by the Chief Financial Officer of the Company.

(f) *Minimum Adjustment of Exercise Price.* No adjustment of the Exercise Price shall be made in an amount of less than 1% of the Exercise Price in effect at the time such adjustment is otherwise required to be made, but any such lesser adjustment shall be carried forward and shall be made at the time and together with the next subsequent adjustment which, together with any adjustments so carried forward, shall amount to not less than 1% of such Exercise Price.

(g) *No Fractional Shares.* No fractional shares of Common Stock are to be issued upon the exercise of this Warrant, but the Company shall round up the number of shares to the issued.

#### **6. Legends.**

All certificates representing shares of Common Stock underlying this Warrant shall bear a restrictive legend to the effect that the Shares represented by such certificate have not been registered under the Securities Act, and that the Shares may not be sold or transferred in the absence of such registration or an exemption therefrom, such legend to be substantially in the form of the bold-face language appearing at the top of Page 1 of this Warrant.

## **7. Disposition of Warrants or Shares.**

The Holder of this Warrant, each transferee hereof and any holder and transferee of any Shares, by his or its acceptance thereof, agrees that no public distribution of Warrants or Shares will be made in violation of the provisions of the Securities Act. Furthermore, it shall be a condition to the transfer of this Warrant that any transferee thereof deliver to the Company his or its written agreement to accept and be bound by all of the terms and conditions contained in this Warrant.

## **8. Merger or Consolidation.**

The Company will not merge or consolidate with or into any other corporation, or sell or otherwise transfer its property, assets and business substantially as an entirety to another corporation, unless the corporation resulting from such merger or consolidation (if not the Company), or such transferee corporation, as the case may be, shall expressly assume, by supplemental agreement reasonably satisfactory in form and substance to the Holder, the due and punctual performance and observance of each and every covenant and condition of this Warrant to be performed and observed by the Company.

## **9. Notices.**

Except as otherwise specified herein to the contrary, all notices, requests, demands and other communications required or desired to be given hereunder shall only be effective if given in writing by certified or registered U.S. mail with return receipt requested and postage prepaid; by private overnight delivery service (e.g. Federal Express); by facsimile transmission (if no original documents or instruments must accompany the notice); or by personal delivery. Any such notice shall be deemed to have been given (a) on the business day immediately following the mailing thereof, if mailed by certified or registered U.S. mail as specified above; (b) on the business day immediately following deposit with a private overnight delivery service if sent by said service; (c) upon receipt of confirmation of transmission if sent by facsimile transmission; or (d) upon personal delivery of the notice. All such notices shall be sent to the following addresses (or to such other address or addresses as a party may have advised the other in the manner provided in this **Section 9**):

If to the Company:

Artelo Biosciences, Inc.  
505 Lomas Santa Fe, Suite 160  
Solana Beach, CA 92075 USA  
President and Chief Executive Officer

If to the Holder:

ABK Labs, Inc.  
ATTN: Alex Kehaya  
417 Bryant Cir  
Ojai, CA 93023

Notwithstanding the time of effectiveness of notices set forth in this **Section 9**, a Notice of Exercise shall not be deemed effectively given until it has been duly completed and submitted to the Company together with this original Warrant and payment of the Exercise Price in a manner set forth in this **Section 9**.

#### **10. Governing Law.**

This Agreement shall be governed by and construed solely and exclusively in accordance with and pursuant to the internal laws of the State of California without regard to the conflicts of laws principles thereof; *provided*, that matters concerning the issuance of Common Stock or other matters of corporate governance shall be governed by and construed solely and exclusively in accordance with and pursuant to Chapter 78 of the Nevada Revised Statutes. The parties hereto hereby expressly and irrevocably agree that any suit or proceeding arising directly and/or indirectly pursuant to or under this Agreement shall be brought solely in a federal or state court located in or near Marin County, California. By its execution hereof, the parties hereby covenant and irrevocably submit to the in personam jurisdiction of the federal and state courts located in the or near Marin County, California, and agree that any process in any such action may be served upon any of them personally, or by certified mail or registered mail upon them or their agent, return receipt requested, with the same full force and effect as if personally served upon them in California. The parties hereto expressly and irrevocably waive any claim that any such jurisdiction is not a convenient forum for any such suit or proceeding and any defense or lack of in personam jurisdiction with respect thereto. In the event of any such action or proceeding, the party prevailing therein shall be entitled to payment from the other party hereto of all of its reasonable counsel fees and disbursements.

#### **11. Successors and Assigns.**

This Warrant shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

#### **12. Headings.**

The headings of various sections of this Warrant have been inserted for reference only and shall not affect the meaning or construction of any of the provisions hereof.

#### **13. Severability.**

If any provision of this Warrant is held to be unenforceable under applicable law, such provision shall be excluded from this Warrant, and the balance hereof shall be interpreted as if such provision were so excluded.

#### **14. Modification and Waiver.**

This Warrant and any provision hereof may be amended, waived, discharged or terminated only by an instrument in writing signed by the Company and the Holder.

#### **15. Assignment.**

This Warrant may be transferred or assigned, in whole or in part, at any time and from time to time by the then Holder by submitting this Warrant to the Company together with a duly executed Assignment in substantially the form and substance of the Form of Assignment which accompanies this Warrant as **Exhibit B** hereto, and, upon the Company's receipt thereof, and in any event, within five (5) business days thereafter, the Company shall issue a Warrant to the Holder to evidence that portion of this Warrant, if any as shall not have been so transferred or assigned.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the Company has caused this Warrant to be duly executed by one of its officers thereunto duly authorized.

ARTELO BIOSCIENCES, INC.

By: \_\_\_\_\_  
Name: Gregory D. Gorgas  
Title: President & Chief Executive Officer

**EXHIBIT A**

**NOTICE OF EXERCISE**

To Be Executed by the Holder in Order to Exercise the Common Stock Warrant

The undersigned Holder hereby elects to purchase \_\_\_\_\_ Shares pursuant to the attached Common Stock Warrant, and requests that certificates for securities be issued in the name of:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Please type or print name and address)

\_\_\_\_\_

(Social Security or Tax Identification Number)

and to be delivered to: \_\_\_\_\_

\_\_\_\_\_

(Please type or print name and address if different from above)

If such number of Shares being purchased hereby shall not be all the Shares that may be purchased pursuant to the attached Warrant, a new Warrant for the balance of such Shares shall be registered in the name of, and delivered to, the Holder at the address set forth below.

In full payment of the purchase price with respect to the Shares purchased and transfer taxes, if any, the undersigned hereby tenders payment of \$\_\_\_\_\_ by check, money order or wire transfer payable in United States currency to the order of [\_\_\_\_\_].

HOLDER:

By: \_\_\_\_\_

Name:

Title:

Address:

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



**EXHIBIT B**  
**ASSIGNMENT FORM**

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

TO: Artelo Biosciences, Inc.  
505 Lomas Santa Fe, Suite 160  
Solana Beach, CA 92075

FOR VALUE RECEIVED, \_\_\_\_\_ shares of the foregoing Common Stock Warrant of Artelo Biosciences, Inc. and all rights evidenced thereby are hereby assigned to:

\_\_\_\_\_ whose address is:  
(Print Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

Dated: \_\_\_\_\_, 20\_\_

Holder's Signature:

\_\_\_\_\_

Holder's Address:

\_\_\_\_\_

\_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Common Stock Warrant, without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank or trust company. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Common Stock Warrant.

## CONSULTING AGREEMENT

This Consulting Agreement (this “Agreement”) is entered into effective as of August 1, 2025 (the “Effective Date”) by and between Artelo Biosciences, Inc., 505 Lomas Santa Fe, Suite 160, Solana Beach, CA 92075, a Nevada Corporation (the “Company”), and ABK Labs, Inc., a Delaware corporation (“Consultant”).

1. **Services.** During the term of this Agreement, Consultant will provide consulting services (the “Services”) to the Company as described on Exhibit A attached to this Agreement. Consultant represents that Consultant is duly licensed (as applicable) and has the qualifications, the experience and the ability to properly perform the Services.

2. **Fees.** As the exclusive consideration for the Services to be provided by Consultant and Consultant’s other obligations as set forth herein, the Company shall pay issue to the Consultant a Warrant in the form of Exhibit B attached to this Agreement.

3. **Expenses.** Other than as set forth in Exhibit B or in a Work Order (as defined in Exhibit A), Consultant shall not be authorized to incur on behalf of the Company any expenses without the prior written consent of the Company’s Chief Financial Officer or Chief Executive Officer. All expenses submitted to the Company for reimbursement shall be reasonable and necessary for the performance of the Services, shall be invoiced at actual cost and without mark-up, and shall be substantiated by receipts or other documentation reasonably acceptable to the Company.

4. **Term and Termination.** Consultant shall serve as a consultant to the Company for an initial period commencing on the Effective Date and terminating on the 4-year anniversary of the Effective Date; provided, however, that this Agreement shall automatically renew and be extended for additional 12-month periods; provided, further, that either party may terminate this Agreement at any time upon 30 days’ prior written notice. This Section 4 and Sections 5, 7, 8, 10, 11, 12, 13 and 14 will survive the expiration or termination of this Agreement.

5. **Relationship of Parties.** The Consultant enters into this Agreement as, and shall continue to be, an independent contractor. Under no circumstances shall Consultant look to the Company as Consultant’s employer, or as a partner, agent, or principal. Consistent with Section 5(c) below, Consultant shall not be entitled to any benefits accorded to the Company’s employees, including, without limitation, workers’ compensation, disability insurance or vacation or sick leave. Nothing in this Agreement shall be construed as creating an employer-employee relationship or as guaranteeing any future employment or engagement.

(a) **Method of Provision of Services.** Consultant shall be solely responsible for determining the method, details and means of performing the Services. It is the understanding of the parties that Alex Kehaya shall be the representative of Consultant and shall perform substantially all of the Services hereunder.

(b) **No Authority to Bind Company.** Neither Consultant nor any Assistant, partner, agent or employee of Consultant has authority to enter into contracts that bind the Company or create obligations on the part of the Company without the prior written authorization of the Company.

(c) **No Benefits.** Consultant acknowledges and agrees that none of Consultant, Consultant's employees, if any, or Assistants will be eligible for any Company employee benefits and, to the extent Consultant, Consultant's employees, if any, and any Assistant otherwise would be eligible for any employee benefits (despite the express terms of this Agreement), Consultant (on behalf of Consultant, Consultant's employees, if any, and each Assistant) hereby expressly declines to participate in any applicable benefits programs.

(d) **Withholding; Indemnification.** Consultant shall have full responsibility for applicable withholding taxes for all compensation paid to Consultant and Consultant's other partners, agents and employees, and for compliance with all applicable labor and employment requirements with respect to Consultant's self-employment, sole proprietorship or other form of business organization, and Assistants and Consultant's other partners, agents and employees, including state worker's compensation insurance coverage requirements and any US immigration visa requirements. Consultant agrees to indemnify, defend and hold the Company harmless from any liability for, or assessment of, any claims or penalties with respect to such withholding taxes, labor or employment requirements, including any liability for, or assessment of, withholding taxes imposed on the Company by the relevant taxing authorities with respect to any compensation paid to Consultant, Assistants or any other of Consultant's partners, agents or employees.

6. **Company Contact; Compliance with Certain Company Policies.** Consultant will be required to report to the Company's Chief Executive Officer (the "Company Contact") concerning the performance of services under this Agreement. The nature and frequency of these reports will be left to the discretion of the Company Contact. Consultant will be assisted in the development, implementation and operation of the Services by the Company, as deemed necessary. Accordingly, the Company Contact may impose deadlines and other instructions to ensure satisfactory performance of services under this Agreement. To the extent Consultant performs services under this Agreement on the premises of the Company, Consultant agrees that Consultant and all such Assistants will comply with the Company's policies concerning appropriate workplace conduct, including its policies concerning prohibited harassment/discrimination in the workplace.

7. **Confidentiality.** As used herein, "Confidential Information" shall mean data and other information that the Company regards as confidential and/or proprietary and that is (a) disclosed by or on behalf of the Company to Consultant and/or the Assistants, whether prior to or after the Effective Date or (b) generated or developed by Consultant and/or the Assistants in performing the Services or as a result of access to data or other information disclosed by or on behalf of the Company. Confidential Information includes the terms of this Agreement and may include third-party information with respect to which Company has an obligation to maintain the confidentiality and/or to limit the use thereof. Consultant will maintain all Confidential Information in confidence and will employ reasonable procedures to prevent its unauthorized disclosure. Except as otherwise provided herein, Consultant will not disclose any Confidential Information to any third party, or use any Confidential Information for any purpose, other than as is necessary to perform the Services. Consultant shall limit access to the Confidential Information to those of Consultant's directors, officers, employees, consultants, agents and advisers who have a need to know such information in order for Consultant to perform Consultant's obligations and exercise Consultant's rights under this Agreement and who are bound by confidentiality and non-use obligations to Consultant at least as restrictive as Consultant's obligations to the Company under this Agreement.

8. **[Reserved]**.

9. **Conflicts with this Agreement.** Consultant represents and warrants that neither Consultant nor any of Consultant's partners, employees or agents is under any pre-existing obligation in conflict or in any way inconsistent with the provisions of this Agreement. Consultant represents and warrants that Consultant's performance of all the terms of this Agreement will not breach any agreement to keep in confidence proprietary information acquired by Consultant in confidence or in trust. Consultant warrants that Consultant has the unrestricted right to disclose and/or to use all ideas, processes, techniques and other information, if any, which Consultant has gained from third parties, and which Consultant discloses to the Company or uses in the course of performance of this Agreement, without any liability to such third parties. Notwithstanding the foregoing, Consultant agrees that the Consultant shall not bundle with or incorporate into any deliverables provided to the Company herewith any third party products, ideas, processes, or other techniques, without first obtaining for the Company (and its successors and assigns) a royalty-free, worldwide, irrevocable, transferable, nonexclusive license to use such product, idea, process, or other technique for any purpose whatsoever. Consultant represents and warrants that Consultant has not granted will not grant any rights or licenses to any intellectual property or technology that would conflict with Consultant's obligations under this Agreement. Consultant will not knowingly infringe upon any copyright, patent, trade secret or other right of any former client, employer or third party in the performance of the Services.

10. **Warranty Disclaimer.** THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS TO CONSULTANT WITH RESPECT TO ANY INFORMATION DISCLOSED OR PROVIDED BY THE COMPANY AND DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

11. **Indemnification.** Consultant will hold the Company and its officers, directors, employees, consultants, agents and representatives harmless from any liability resulting from performance of the Services by Consultant, any employee of Consultant and any Assistant.

12. **Debarment.** Consultant represents and warrants that Consultant has not been debarred under 21 U.S.C. 335a(a) or (b) or any other equivalent law, rule, regulation or standard of any other jurisdiction. Consultant further represents and warrants that Consultant has not used and shall not use, in any capacity in connection with this Agreement, the services of any individual, corporation, partnership or association that has been debarred under 21 U.S.C. 335a(a) or (b) or any other equivalent law, rule, regulation or standard of any other jurisdiction. Upon written request of the Company, Consultant shall, within ten (10) business days, provide written confirmation that the foregoing representations and warranties remain valid. Consultant agrees to immediately disclose in writing to the Company if Consultant or any individual, corporation, partnership or association performing services related to this Agreement becomes debarred, or if any action or investigation is pending or, to the best of Consultant's knowledge, threatened, relating to the debarment of Consultant or any individual, corporation, partnership or association performing services related to this Agreement, and the Company shall have the right to terminate this Agreement immediately upon written notice to Consultant without further cost or liability.

13. **Return of Materials.** Consultant agrees that upon expiration or termination of this Agreement, or upon the request of the Company, whichever is earlier, Consultant shall return to the Company all property of the Company, including any written memorial of, or documents relating to, the Confidential Information and/or Inventions and Work Product, including, but not limited to all books and records utilized by Consultant in performing Consultant's duties under this Agreement. Consultant shall not retain any such materials without the advance written permission of the Company.

14. **Miscellaneous.**

(a) **Amendments and Waivers.** Any term of this Agreement may be amended only with the written consent of the parties. Failure to enforce any provision of this Agreement by a party shall not constitute a waiver of such provision by such party and failure or neglect of a party to exercise any right, power or privilege hereunder or under law shall not constitute a waiver of any other right, power or privilege or of the same right, power or privilege in any other instance.

(b) **Sole Agreement.** This Agreement, including the Exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof.

(c) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally, or on the second business day after deposit with an internationally recognized overnight courier service, specifying next business day delivery, with costs fully paid, if such notice is addressed to the party to be notified at such party's address or facsimile number as set forth on the signature page to this Agreement, or as subsequently modified by written notice.

(d) **Choice of Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

(e) **Severability.** If any provision of this Agreement is held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(f) **Execution.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument. 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.

(g) **Arbitration.** Any dispute or claim arising out of or in connection with any provision of this Agreement will be finally settled by binding arbitration in Marin County, California, in accordance with the rules of the American Arbitration Association by one arbitrator appointed in accordance with said rules. The arbitrator shall apply California law, as applied to agreements among California residents entered into and to be performed entirely within California, to the resolution of any dispute. The fees and expenses of the arbitrator shall be divided equally between the parties. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, the parties may apply to any court of competent jurisdiction for preliminary or interim equitable relief, or to compel arbitration in accordance with this paragraph, without breach of this arbitration provision. In the event of any action or proceeding alleging any breach of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover not only the amount of any damages, judgment, award or settlement in favor of said party, if any, but also all such other damages, costs and expenses as may be actually incurred by said party, including court costs, reasonable attorney fees, expert witness or consultant fees, arbitrator fees and expenses and all other costs and expenses, taxable or otherwise, incurred in connection with such action or proceeding.

(i) **Advice of Counsel.** EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL, AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF.

(j) **Assignment; Subcontracting.** Consultant shall have no right to assign, subcontract, transfer, or otherwise dispose of Consultant's rights under this Agreement or to assign the burdens hereof without the prior written consent of the Company. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon each party's successors and assigns.

[Signature Page Follows]

The parties have executed this Consulting Agreement effective as of the Effective Date.

ABK Labs, Inc.

By: /s/ Alex Kehaya

Name: Alex Kehaya

Title: CEO

Address: 417 Bryant Cir  
Ojai, CA 93023

Artelo Biosciences, Inc.

By: /s/ Gregory D. Gorgas

Name: Gregory D. Gorgas

Title: President & CEO/CFO

Address: 505 Lomas Santa Fe, Suite 160  
Solana Beach, CA 92075

DESCRIPTION OF CONSULTING SERVICES

**Strategic Advisory Services for Artelo's Digital Asset Strategy**

The Consultant shall provide the following services to the Company, with the objective of supporting, developing, and communicating the Company's digital asset strategy and related business initiatives. The Consultant's services shall include, but are not limited to, the following:

**1. Digital Asset Strategy Development and Oversight**

- o Advise the Company's management and Board of Directors on the formulation, implementation, and ongoing refinement of the Company's digital asset strategy, including but not limited to digital currency asset allocation, risk management, and compliance considerations.
- o Provide guidance on the integration of digital assets into the Company's broader business model and capital allocation framework.

**2. Business Development and Strategic Partnerships**

- o Identify, evaluate, and facilitate potential partnerships, joint ventures, or other business arrangements that support the effectiveness and growth of the Company's digital asset initiatives.
- o Assist in the negotiation and structuring of strategic transactions, including but not limited to partnerships with technology providers, financial institutions, and other relevant counterparties.

**3. Financial and Technical Advisory**

- o Advise on financial planning and analysis related to digital asset holdings, including modeling, forecasting, and scenario analysis.
- o Provide technical expertise and recommendations regarding the selection, implementation, and management of digital asset platforms, custodians, and related technology infrastructure.

**4. Marketing, Investor Relations, and Public Relations**

- o Support the Company's efforts to communicate its digital asset strategy and value proposition to current and prospective investors, analysts, and other stakeholders.
- o Assist in the preparation and review of investor presentations, press releases, and other public communications highlighting the Company's digital asset initiatives and unique investment opportunities.



## **5. Milestone Achievement and Value Creation**

- o Work collaboratively with the Company's management team to achieve key milestones, including but not limited to the attainment of targeted market capitalization thresholds.
- o Provide ongoing strategic input to maximize shareholder value and ensure alignment between the Company's digital asset strategy and long-term business objectives.

## **6. General Advisory and Support**

- o Attend meetings of the Board of Directors, management, and relevant committees as requested, and provide regular updates and recommendations regarding the progress and impact of the digital asset strategy.
- o Perform such other related advisory services as may be reasonably requested by the Company's Chief Executive Officer or Board of Directors, consistent with the Consultant's expertise and the objectives outlined above.

The Consultant shall perform the above services as an independent contractor and shall devote such time and attention as is reasonably necessary to fulfill the responsibilities described herein, subject to the terms and conditions of the Consulting Agreement.

From time to time the Company and Consultant may further define the Services, or agree upon other Services, to be performed by Consultant in individual work orders ("Work Orders"). Each Work Order will be subject to the terms and conditions set forth in this Agreement and, in the event of any conflict between this Agreement and any Work Order, the terms and conditions of this Agreement will govern and control unless such Work Order specifically identifies the conflicting provision of this Agreement and explicitly states that such provision is superseded by the relevant provision of such Work Order. The specifics of each Work Order will be separately negotiated and specified in a written document mutually acceptable to the Company and Consultant. Each Work Order should, among other things, set forth in detail:

(i) the specific services to be performed and the form and substance of deliverables to be provided by Consultant under such Work Order (which services and deliverables will be defined in a reasonably objective manner such that their respective occurrences are readily verifiable);

(ii) the period during or by which such services will be performed or such deliverables will be provided; and

(iii) if other than as set forth in Exhibit B to this Agreement, (a) the compensation to be paid by the Company to Consultant for such services, including invoice requirements and payment terms, (b) circumstances in which the Company will reimburse Consultant for expenses incurred and (c) the Company's maximum obligation to Consultant under such Work Order. All invoices must be substantiated by documentation reasonably acceptable to the Company.

**Exhibit B**

**Form of Warrant**

Subject to approval by the Company's Board of Directors (the "**Board**"), the Company shall issue to Consultant a Warrant in the form attached hereto entitling Consultant to purchase from the Company up to 55,000 shares (the "**Shares**") of the Company's common stock at a price per share determined by the Board in good faith as of the date of issuance of the Warrant. The Shares will be subject to the terms and conditions set forth in the Warrant and the bylaws of the Company.

See attached for form of Warrant.