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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2023

☐ **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: 001-37990

LEAP THERAPEUTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**27-4412575**
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification No.)
47 Thorndike St, Suite B1-1, Cambridge, MA	**02141**
Address of Principal Executive Offices	Zip Code

(617) 714-0360
Registrant's Telephone Number, Including Area Code

N/A
Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report

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

Title of each class:	**Trading Symbol(s)**	**Name of each exchange on which registered:**
Common Stock, par value $0.001 per share	LPTX	Nasdaq Capital Market

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

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

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

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

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

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

As of May 10, 2023, there were 119,410,992 shares of the registrant's common stock, par value $0.001 per share, outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements which reflect our current views with respect to, among other things, our operations and financial performance. Such statements are based upon our current plans, estimates and expectations that are subject to various risks and uncertainties that could cause actual results to differ materially from such statements. The inclusion of forward-looking statements should not be regarded as a representation that such plans, estimates and expectations will be achieved. Words such as "anticipate," "expect," "project," "intend," "believe," "may," "will," "should," "plan," "could," "continue," "target," "contemplate," "estimate," "forecast," "guidance," "predict," "possible," "potential," "pursue," "likely," and words and terms of similar substance used in connection with any discussion of future plans, actions or events identify forward-looking statements. All statements, other than historical facts, including statements regarding estimations of projected cash runway; our future product development plans; the potential, safety, efficacy, and regulatory and clinical progress of our product candidates, including the anticipated timing for initiation of clinical trials and release of clinical trial data and the expectations surrounding potential regulatory submissions, approvals and timing thereof; and any assumptions underlying any of the foregoing, are forward-looking statements. Important factors that could cause actual results to differ materially from our plans, estimates or expectations could include, but are not limited to: (i) our ability and plan to develop and commercialize DKN-01, FL-301 and our preclinical programs; (ii) status, timing and results of our preclinical studies and clinical trials; (iii) the potential benefits of DKN-01, FL-301 and our preclinical programs; (iv) the timing of our development programs and seeking regulatory approval of DKN-01, FL-301 and our preclinical programs; (v) our ability to obtain and maintain regulatory approval; (vi) our estimates of expenses and future revenues and profitability; (vii) our estimates regarding our capital requirements and our needs for additional financing; (viii) our estimates of the size of the potential markets for DKN-01, FL-301 and our preclinical programs; (ix) the benefits to be derived from any collaborations, license agreements, or other acquisition efforts, including the acquisition of Flame Biosciences and the ongoing collaboration with BeiGene; (x) sources of revenues and anticipated revenues, including contributions from any collaborations or license agreements for the development and commercialization of products; (xi) the rate and degree of market acceptance of DKN-01, FL-301 or our preclinical products; (xii) the success of other competing therapies that may become available; (xiii) the manufacturing capacity for our products; (xiv) our intellectual property position; (xv) our ability to maintain and protect our intellectual property rights; (xvi) our results of operations, financial condition, liquidity, prospects, and growth and strategies; (xvii) the industry in which we operate; (xviii) the trends that may affect the industry or us; (xix) our ability to successfully integrate the Flame operations and realize the anticipated benefits of the acquisition of Flame; (xx) whether our stockholders approve the conversion of the Series X Non-Voting Convertible Preferred Stock; (xxi) exposure to inflation, currency rate and interest rate fluctuations, as well as fluctuations in the market price of our traded securities; (xxii) that the initiation, conduct, and completion of clinical trials, laboratory operations, manufacturing campaigns, and other studies may be delayed, adversely affected, or impacted by ongoing COVID-19 related issues, global conflict or supply chain related issues; and (xxiii) our ability to comply with the continued listing requirements of the Nasdaq Capital Market.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Quarterly Report. In addition, even if our results of operations, financial condition and liquidity, and events in the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report, they may not be predictive of results or developments in future periods. You should carefully read this Quarterly Report and any documents that we have filed as exhibits to this Quarterly Report completely.

You should refer to Part II, Item 1A, Risk Factors in this Quarterly Report and Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the Securities and Exchange Commission on March 24, 2023, for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Quarterly Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard any such statement as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. Any forward-looking statement that we make in this Quarterly Report speaks only as of the date of such statement, and, except to the extent required by applicable law, we undertake no obligation to update such statements to reflect events or circumstances after the date of this Quarterly Report or to reflect the occurrence of unanticipated events. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Quarterly Report. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

DKN-01 and FL-301 are investigational drugs undergoing clinical development and have not been approved by the U.S. Food and Drug Administration (the “FDA”), nor have they been submitted to the FDA for approval. DKN-01 and FL-301 have not been, and may never be, approved by any regulatory agency or marketed anywhere in the world. Statements contained in this Quarterly Report should not be deemed to be promotional.

INTRODUCTORY COMMENT

References to Leap

Throughout this Quarterly Report on Form 10-Q, the “Company,” “Leap,” “Leap Therapeutics,” “we,” “us,” and “our,” except where the context requires otherwise, refer to Leap Therapeutics, Inc. and its consolidated subsidiaries, and “Board of Directors” refers to the board of directors of Leap Therapeutics, Inc.

Part I – FINANCIAL INFORMATION

Item 1. Financial Statements

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	March 31, 2023 (Unaudited)	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 102,038	$ 65,500
Research and development incentive receivable	2,071	2,099
Prepaid expenses and other current assets	590	351
Total current assets	104,699	67,950
Property and equipment, net	16	20
Right of use assets, net	569	669
Research and development incentive receivable, net of current portion	272	—
Deferred costs	—	576
Other long term assets	15	30
Deposits	976	1,108
Total assets	$ 106,547	$ 70,353
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 5,498	$ 5,657
Accrued expenses	4,388	5,152
Lease liability - current portion	425	416
Total current liabilities	10,311	11,225
Non current liabilities:		
Lease liability, net of current portion	152	262
Series X preferred stock warrant liability	40	—
Total liabilities	10,503	11,487
Mezzanine equity:		
Series X Convertible Preferred Stock, $0.001 par value; 10,000,000 shares authorized; 136,248 and 0 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	67,715	—
Stockholders' equity:		
Common stock, $0.001 par value; 240,000,000 shares authorized; 119,410,992 and 99,021,376 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	119	99
Additional paid-in capital	387,886	376,807
Accumulated other comprehensive income	355	128
Accumulated deficit	(360,031)	(318,168)
Total stockholders' equity	28,329	58,866
Total liabilities, mezzanine equity and stockholders' equity	$ 106,547	$ 70,353

See notes to condensed consolidated financial statements.

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share amounts)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
Operating expenses:		
Research and development	38,942	7,784
General and administrative	3,784	2,848
Total operating expenses	42,726	10,632
Loss from operations	(42,726)	(10,632)
Interest income	848	5
Interest expense	—	(21)
Australian research and development incentives	272	37
Foreign currency gain (loss)	(307)	235
Change in fair value of Series X preferred stock warrant liability	50	—
Net loss attributable to common stockholders	$ (41,863)	$ (10,376)
Net loss per share		
Basic & diluted	$ (0.32)	$ (0.09)
Weighted average common shares outstanding		
Basic & diluted	129,344,272	113,248,937

See notes to condensed consolidated financial statements.

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
Net loss	$ (41,863)	$ (10,376)
Other comprehensive income (loss):		
Foreign currency translation adjustments	227	(158)
Comprehensive loss	$ (41,636)	$ (10,534)

See notes to condensed consolidated financial statements.

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Three Months Ended March 31, 2022

(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balances at December 31, 2021	88,318,454	$ 88	$ 371,638	$ (267)	$ (263,572)	$ 107,887
Foreign currency translation adjustment	—	—	—	(158)	—	(158)
Stock-based compensation	—	—	1,204	—	—	1,204
Net loss	—	—	—	—	(10,376)	(10,376)
Balances at March 31, 2022	88,318,454	$ 88	$ 372,842	$ (425)	$ (273,948)	$ 98,557

See notes to condensed consolidated financial statements.

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY
For the Three Months Ended March 31, 2023

(In thousands, except share amounts)

(Unaudited)

	Mezzanine Equity		Stockholders Equity					
	Series X Non Voting Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders Equity
	Shares	Amount	Shares	Amount				
Balances at December 31, 2022	—	$ —	99,021,376	$ 99	$376,807	$ 128	$(318,168)	$ 58,866
Issuance of Series X Preferred Stock in connection with Flame merger	136,248	67,715	—	—	—	—	—	—
Issuance of common stock in connection with Flame merger	—	—	19,729,010	19	9,786	—	—	9,805
Issuance of common stock warrants in connection with Flame merger	—	—	—	—	13	—	—	13
Redemption of 2019 Warrants	—	—	—	—	(29)	—	—	(29
Issuance of common stock upon vest of restricted stock units	—	—	660,606	1	(1)	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	227	—	227
Stock-based compensation	—	—	—	—	1,310	—	—	1,310
Net loss	—	—	—	—	—	—	(41,863)	(41,863
Balances at March 31, 2023	136,248	$ 67,715	119,410,992	$ 119	$387,886	$ 355	$(360,031)	$ 28,329

See notes to condensed consolidated financial statements.

LEAP THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Three Months Ended March 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	$ (41,863)	$ (10,376)
Adjustments to reconcile net loss to net cash	—	—
used in operating activities:	—	—
In-process research and development costs acquired in connection with the acquistion of Flame	29,582	—
Depreciation expense	4	4
Amortization of right-of-use assets	100	104
Stock-based compensation expense	1,310	1,204
Foreign currency transaction (gain) loss	307	(235)
Change in fair value of warrant liability	(50)	—
Changes in operating assets and liabilities:	—	—
Prepaid expenses and other assets	(239)	277
Research and development incentive receivable	(278)	(38)
Accounts payable and accrued expenses	(2,196)	(2,368)
Lease liability	(100)	(106)
Other assets	723	16
Net cash used in operating activities	(12,700)	(11,518)
Cash flows from investing activities:		
Cash acquired in connection with the acquistion of Flame	50,362	—
Payment of direct and incremental costs of the asset acquisition	(1,045)	—
Net cash provided by investing activities	49,317	—
Cash flows from financing activities:		
Payment of redemption of 2019 warrants	(29)	—
Payment of deferred costs	—	(210)
Net cash used in financing activities	(29)	(210)
Effect of exchange rate changes on cash and cash equivalents	(50)	32
Net increase (decrease) in cash and cash equivalents	36,538	(11,696)
Cash and cash equivalents at beginning of period	65,500	114,916
Cash and cash equivalents at end of period	$ 102,038	$ 103,220
Supplemental disclosure of non-cash financing activities:		
Issuance of Series X Preferred Stock in connection with acquisition of Flame	$ 67,715	$ —
Issuance of warrants to purchase convertible Series X preferred stock in connection with the acquisition of Flame	$ 90	$ —
Issuance of common stock in connection with the acquisition of Flame	$ 9,805	$ —
Issuance of warrants for the purchase of common stock in connection with the acquisition of Flame	$ 13	$ —
Direct and incremental costs of the asset acquisition recorded in accounts payable	$ 348	$ —
Issuance of common stock up on the vesting of restricted stock units	$ 1	$ —
Net liabilities assumed from acquistion of Flame	$ 928	$ —

See notes to condensed consolidated financial statements.

Leap Therapeutics, Inc.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(In thousands, except share and per share amounts)

(Unaudited)

1. Nature of Business, Basis of Presentation and Liquidity

Nature of Business

Leap Therapeutics, Inc. was incorporated in the state of Delaware on January 3, 2011. During 2015, HealthCare Pharmaceuticals Pty Ltd. ("HCP Australia") was formed and is a wholly owned subsidiary of the Company.

On December 15, 2021, Leap Securities Corp. was formed and is a wholly owned subsidiary of the Company.

On January 17, 2023, the Company entered into a merger agreement with Flame Biosciences, Inc., a privately held, biotechnology corporation ("Flame"), whereby Flame became a wholly owned subsidiary of the Company under the name Flame Biosciences, LLC.

The Company is a biopharmaceutical company developing novel biomarker-targeted antibody therapies designed to treat patients with cancer by inhibiting fundamental tumor-promoting pathways, targeting cancer-specific cell surface molecules, and harnessing the immune system to attack cancer cells. The Company's strategy is to identify, acquire, and develop molecules that will rapidly translate into high impact therapeutics that generate durable clinical benefit and enhanced patient outcomes. The Company's lead clinical stage program is DKN-01, a monoclonal antibody that inhibits Dickkopf-related protein 1, or DKK1. The Company is currently studying DKN-01 in multiple ongoing clinical trials in patients with esophagogastric cancer, gynecologic cancers, or colorectal cancer. Its second clinical stage program is FL-301, a monoclonal antibody that targets cells that express Claudin18.2 on their cell surface. The Company also has two preclinical antibody programs, FL-302 and FL-501.

In January 2020, the Company entered into an Option and License Agreement with BeiGene, Ltd., or BeiGene, which granted BeiGene an option to obtain an exclusive license from the Company that would grant to BeiGene the right to develop and commercialize DKN-01 in Asia (excluding Japan), Australia, and New Zealand. In March 2023, BeiGene notified the Company that it did not intend to exercise its option, and the agreement is continuing as a clinical collaboration.

The Company intends to apply its extensive experience identifying and developing transformational products to build a pipeline of programs that have the potential to change the practice of cancer medicine.

Basis of Presentation

The accompanying condensed consolidated financial statements as of March 31, 2023, and for the three months ended March 31, 2023 and 2022 have been prepared by the Company, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") for interim financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted pursuant to such rules and regulations. However, the Company believes that the disclosures are adequate to make the information presented not misleading. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2022, included in the Company's Annual Report on Form 10-K filed with the SEC on March 24, 2023.

The condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements. In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments which are necessary for the fair presentation of the Company's financial position as of March 31, 2023, statements of operations and statements of comprehensive loss for the three months ended March 31, 2023, and 2022 and statements of cash flows for the three months ended March 31, 2023 and 2022. Such adjustments are of a normal and recurring nature. The results of operations for the three months ended March 31, 2023 are not necessarily indicative of the results of operations that may be expected for the year ending December 31, 2023.

Liquidity

Since inception, the Company has been engaged in organizational activities, including raising capital, and research and development activities. The Company does not yet have a product that has been approved by the FDA, has not generated any product sales revenues and has not yet achieved profitable operations, nor has it ever generated positive cash flows from operations. There is no assurance that profitable operations, if achieved, could be sustained on a continuing basis. Further, the Company's future operations are dependent on the success of the Company's efforts to raise additional capital, its research and commercialization efforts, regulatory approval, and, ultimately, the market acceptance of the Company's products.

In accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued. As of March 31, 2023, the Company had cash and cash equivalents of $102,038. Additionally, the Company had an accumulated deficit of $360,031 at March 31, 2023, and during the three months ended March 31, 2023, the Company incurred a net loss of $41,863. The Company expects to continue to generate operating losses for the foreseeable future. In connection with the merger with Flame and pursuant to the Certificate of Designation of the Series X non-voting convertible preferred stock (the "Series X Preferred Stock"), if stockholder approval for the conversion of the Series X Preferred Stock to common stock (the "Stockholder Approval") is not obtained from the holders of the Company's common stock within six months from the date of issuance of the Series X Preferred Stock, the holders of Series X Preferred Stock may require the Company to settle all of the then-outstanding shares of Series X Preferred Stock for cash at fair value. The Company fully expects the vote to pass and for the Series X Preferred Stock to convert into common stock. However, there can be no assurance that the Stockholder Approval will be received. If the Company fails to receive Stockholder Approval within six months from the date of issuance of the Series X Preferred Stock and the Company is required to settle then-outstanding shares of Series X Preferred Stock for cash at fair value, the Company's financial position would be materially adversely affected and the Company would be forced to seek additional funding, which may not be available on acceptable terms or at all, or reduce or eliminate certain clinical trials, programs and operating expenses, which would adversely affect its business prospects.

The Company believes that its cash and cash equivalents of $102,038 as of March 31, 2023 will be sufficient to fund its operating expenses for at least the next 12 months from issuance of these financial statements.

In addition, to support its future operations, the Company will likely seek additional funding through public or private equity financings or government programs and will seek funding or development program cost-sharing through collaboration agreements or licenses with larger pharmaceutical or biotechnology companies. If the Company does not obtain additional funding or development program cost-sharing, or exceeds its current spending forecasts or fails to receive the research and development tax incentive payment, the Company has the ability and would be forced to delay, reduce or eliminate certain clinical trials or research and development programs, reduce or eliminate discretionary operating expenses, and delay company and pipeline expansion, any of which could adversely affect its business prospects. The inability to obtain funding, as and when needed, could have a negative impact on the Company's financial condition and ability to pursue its business strategies.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions are eliminated upon consolidation.

Use of Estimates

The presentation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Research and development incentive income and receivable

The Company recognizes other income from Australian research and development incentives when there is reasonable assurance that the income will be received, the relevant expenditure has been incurred, and the consideration can be reliably measured. The

research and development incentive is one of the key elements of the Australian Government's support for Australia's innovation system and is supported by legislative law primarily in the form of the Australian Income Tax Assessment Act 1997, as long as eligibility criteria are met.

Management has assessed the Company's research and development activities and expenditures to determine which activities and expenditures are likely to be eligible under the research and development incentive regime described above. At each period end, management estimates the refundable tax offset available to the Company based on available information at the time.

Under the program, a percentage of eligible research and development expenses incurred by the Company through its subsidiary in Australia are reimbursed. The percentage was 43.5% for the year ended December 31, 2022 and for the three months ended March 31, 2023.

The research and development incentive receivable represents an amount due in connection with the above program. The Company recorded a research and development incentive receivable of $2,343 and $2,099 as of March 31, 2023 and December 31, 2022, respectively, in the condensed consolidated balance sheets and other income from Australian research and development incentives of $272 and $37, respectively, for the three months ended March 31, 2023 and 2022.

The following table shows the change in the research and development incentive receivable from January 1, 2022 to March 31, 2023 (in thousands):

Balance at January 1, 2022	$	1,189
Australian research and development incentive income, net		2,051
Cash received for 2021 eligible expenses		(1,064)
Foreign currency translation		(77)
Balance at December 31, 2022		2,099
Australian research and development incentive income, net		272
Foreign currency translation		(28)
Balance at March 31, 2023	$	2,343

Foreign Currency Translation

The financial statements of the Company's Australian subsidiary are measured using the local currency as the functional currency. Assets and liabilities of this subsidiary are translated into U.S. dollars at an exchange rate as of the consolidated balance sheet date. Equity is translated at historical exchange rates. Revenues and expenses are translated into U.S. dollars at average rates of exchange in effect during the period. The resulting cumulative translation adjustments have been recorded as a separate component of stockholders' equity. Realized and unrealized foreign currency transaction gains and losses are included in the results of operations.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to credit risk consist principally of cash and cash equivalents. All cash and cash equivalents are held in United States or Australian financial institutions and money market funds. At times, the Company may maintain cash balances in excess of the federally insured amount of $250 per depositor, per insured bank, for each account ownership category. Although the Company currently believes that the financial institutions with whom it does business will be able to fulfill their commitments to the Company, there is no assurance that those institutions will be able to continue to do so. The Company has not experienced any credit losses associated with its balances in such accounts for the year ended December 31, 2022 or for the three months ended March 31, 2023.

Deposits

As of March 31, 2023 and December 31, 2022, there were $976 and $1,108, respectively, of deposits made by the Company with certain service providers that are to be applied to future payments due under the service agreements or returned to the Company if not utilized, which were recorded in the condensed consolidated balance sheets.

Warrants

The Company will recognize on a prospective basis the value of the effect of the down round feature in the warrants to purchase shares of common stock that were issued in a private placement in November 2017 (the "2017 Warrants") and in the warrants that were issued in a private placement in March 2020 (the "March 2020 Coverage Warrants") when it is triggered (i.e., when the exercise price is adjusted downward). This value is measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature will be treated as a dividend and a reduction to income available to common stockholders in the basic EPS calculation.

The Company classifies the warrants that are exercisable for shares for Series X non-voting convertible preferred stock (the "January 2023 Series X Preferred Stock Warrants") as a liability on its condensed consolidated balance sheet. The Company initially recorded the January 2023 Series X Preferred Stock Warrants as a liability on January 17, 2023, and the warrant liability will be subsequently remeasured to fair value at each reporting date until the Stockholder Approval to convert shares of Series X Preferred Stock into shares of common stock is obtained. Changes in the fair value of the warrant liability are recognized as gains (losses) in the Company's condensed consolidated statement of operations.

Fair Value of Financial Instruments

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

A summary of the assets and liabilities carried at fair value in accordance with the hierarchy defined above is as follows (in thousands):

	Total	Level 1	Level 2	Level 3
March 31, 2023				
Assets:				
Cash equivalents	$ 70,704	$ 70,704	$ —	$ —
Total assets	$ 70,704	$ 70,704	$ —	$ —
Liabilities:				
Series X Preferred Stock warrant liability	$ 40	$ —	$ —	$ 40
Total liabilities	$ 40	$ —	$ —	$ 40
December 31, 2022				
Assets:				
Cash equivalents	$ 62,074	$ 62,074	$ —	$ —
Total assets	$ 62,074	$ 62,074	$ —	$ —

Cash equivalents of $70,704 and $62,074 as of March 31, 2023 and December 31, 2022, respectively, consisted of overnight investments and money market funds which are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in active markets.

The carrying values of the research and development incentive receivable, accounts payable and accrued liabilities approximate their fair value due to the short-term nature of these assets and liabilities.

A roll-forward of the recurring fair value measurements of the warrant liability categorized with Level 3 inputs are as follows (in thousands):

Balance at January 17, 2023	$	90
Change in fair value		(50)
Balance at March 31, 2023	$	40

The warrant liability in the table above is composed of the fair value of the January 2023 Series X Preferred Stock Warrants. The fair value of the warrant liability was determined based on significant inputs not observable in the market, which represents a Level 3 measurement within the fair value hierarchy. The Company utilized the Black-Scholes option valuation model to fair value the warrant liability. The expected life was estimated to be the term from the valuation date to the warrant expiry date. The expected volatility was based on the historical volatility of the Company. The risk-free interest rate was based on the continuous rates provided by the U.S. Treasury with a term approximating the expected life of the option. The expected dividend yield was 0% because the Company does not expect to pay any dividends for the foreseeable future.

Leases

The Company accounts for leases in accordance with Accounting Standards Codification, or ASC, Topic 842, *Leases*.

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. Most leases with a term greater than one year are recognized on the balance sheet as right-of-use assets, lease liabilities and, if applicable, long-term lease liabilities. The Company has elected not to recognize on the balance sheet leases with terms of one year or less. Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected remaining lease term. The Company has determined that the rate implicit in the lease is not determinable and the Company does not have borrowings with similar terms and collateral. Therefore, the Company considered a variety of factors, including observable debt yields from comparable companies and the volatility in the debt market for securities with similar terms, in determining that 8% was reasonable to use as the incremental borrowing rate for purposes of the calculation of lease liabilities.

In accordance with the guidance in Topic 842, components of a lease should be split into three categories: lease components (e.g. land, building, etc.), non-lease components (e.g. common area maintenance, maintenance, consumables, etc.), and non-components (e.g. property taxes, insurance, etc.). Then the fixed and in-substance fixed contract consideration (including any related to non-components) must be allocated based on fair values to the lease components and non-lease components.

Although separation of lease and non-lease components is required, certain practical expedients are available. Entities may elect the practical expedient to not separate lease and non-lease components. Rather, they would account for each lease component and the related non-lease component together as a single component. The Company has elected to account for the lease and non-lease components of each of its operating leases as a single lease component and allocate all of the contract consideration to the lease component only. The lease component results in an operating right-of-use asset being recorded on the consolidated balance sheets and amortized such that lease expense is recorded on a straight line basis over the term of the lease.

Net Loss per Share

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed using the weighted average number of common shares outstanding during the period and, if dilutive, the weighted average number of potential shares of common stock, including the assumed exercise of stock options and warrants.

Subsequent Events

The Company considers events or transactions that occur after the balance sheet date but prior to the issuance of the financial statements to provide additional evidence for certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated as required.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements please refer to Note 2, “Summary of Significant Accounting Policies.” in the Company’s previously filed Annual Report on Form 10-K for the year ended December 31, 2022.

3. Acquisition of Flame Biosciences

Merger

On January 17, 2023 (the “Effective Date”), Leap acquired 100% of the outstanding equity of Flame, in accordance with the terms of the Agreement and Plan of Merger, dated as of the Effective Date (the “Merger Agreement”), by and among Leap, Fire Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Leap (“First Merger Sub”), Flame Biosciences LLC, a Delaware limited liability company and wholly owned subsidiary of Leap (“Second Merger Sub”), Flame, and the Stockholder Representative named therein. Pursuant to the Merger Agreement, First Merger Sub merged with and into Flame, and Flame was the surviving corporation of such merger and became a wholly owned subsidiary of Leap (the “First Merger”). Immediately following the First Merger, Flame merged with and into Second Merger Sub, and Second Merger Sub was the surviving entity of such merger (together with the First Merger, the “Merger”).

Pursuant to the Merger, Leap issued to the stockholders of Flame (the “Flame Stockholders”) 19,729,010 shares of common stock, and 136,248 shares of Series X non-voting convertible preferred stock (the “Series X Preferred Stock”), which was a newly designated series of preferred stock that is intended to have economic rights equivalent to the common stock, but with limited voting rights, and issued to the warrant holders of Flame (the “Flame Warrant Holders”) the right to acquire 65,301 shares of common stock (the “January 2023 Common Stock Warrants”) and 443 shares of Series X Preferred Stock (the “January 2023 Series X Preferred Stock Warrants”). Each share of Series X Preferred Stock is convertible into 1,000 shares of common stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. Under the terms of the Merger Agreement, Leap held back approximately 15,604 shares (the “Holdback Shares”) out of the aggregate number of shares of Series X Preferred Stock that the Flame Stockholders otherwise would be entitled to receive pursuant to the Merger so that Leap can have recourse to the Holdback Shares for purposes of satisfying certain claims for indemnification that Leap may have against the Flame Stockholders in connection with the Merger.

The Company accounted for the acquisition of Flame as an asset acquisition allocating the purchase price under GAAP of $79,016 to net assets acquired. Although there is a presumption under SEC Rule 11-01(d) (“11-01(d)”) that when a legal entity is acquired, it represents a business acquisition, the Company concluded that in this case, the transaction did not represent the acquisition of a business. After considering the criteria set forth in 11-01(d), the Company concluded that the acquisition of Flame by the Company was an acquisition of assets and not an acquisition of a business in accordance 11-01(d). Specifically, the Company concluded that 1) the entity did not generate revenue and 2) there was not sufficient continuity of Flame’s operations prior to and following the transaction, in that no facilities, employees, sales force, distribution system, customer base, trade names or production techniques remained with the entity after the acquisition.

Leap primarily acquired cash of $50,362, certain working capital items ($928) and a portfolio of clinical- and pre-clinical-stage intellectual property, in connection with the acquisition of Flame. The Company accounted for the acquisition of Flame by recording the cash and any other assets and liabilities of Flame on its condensed consolidated balance sheet at their historical carrying values, which approximates fair values. The remaining fair value of the consideration transferred was allocated to the in-process research and development (“IPR&D”) assets acquired. Certain transaction costs that were not deemed to meet the criteria of costs directly attributable to the issuance of securities were capitalized in accordance with ASC 805-50-30-1 and recognized as part of fair value of assets acquired. As the Company concluded that such IPR&D does not have an alternative future use, the relative fair value allocated to acquired IPR&D of $29,582 was expensed in research and development expenses within the Company’s condensed consolidated statement of operations during the three months ended March 31, 2023.

The following table summarizes the net assets acquired based on their estimated fair values as of January 17, 2023 (in thousands):

Acquired IPR&D	$	29,582
Cash and cash equivalents		50,362
Accounts payable and accrued liabilities		(928)
Total acquisition value	$	79,016

The fair value assigned to each component of the purchase consideration, including direct costs of the acquisition of $1,393, as of the Effective Date is set forth in the table below (in thousands, except share and per share amounts):

	Number of shares	Equivalent common shares	Fair Value
Leap common stock (par value $0.0001 per share)	19,729,010	19,729,010	$ 9,805
Leap Series X Preferred Stock (1000:1)	136,248	136,248,000	67,715
Warrants on Leap common stock	65,301	65,301	13
Warrants on Leap Series X Preferred Stock (1000:1)	443	443,000	90
Direct and incremental costs of the asset acquisition			1,393
Total		**156,485,311**	**$ 79,016**

In addition, subject to and upon the terms and conditions set forth in the Merger Agreement, the Company may also (i) pay Contingent Merger Consideration (as defined in the Merger Agreement) that may become payable if, and only if, certain assets of Flame related to Flame's FL-101 program and/or FL-103 program are sold after the consummation of the Merger pursuant to the FL-101/103 Disposition Agreement (as defined in the Merger Agreement), which Contingent Merger Consideration shall be 80% of the after-tax net proceeds of such sale, if any, and the payment thereof is subject to the terms and conditions set forth in the Merger Agreement and (ii) issue pursuant to the Merger additional shares of Series X Preferred Stock or common stock as a result of any applicable post-closing purchase price adjustment in the event that Flame's actual Company Net Cash (as defined in the Merger Agreement) as of the Effective Date is determined to be greater than Flame's estimated Company Net Cash as of the closing.

Series X Preferred Stock

Pursuant to the Merger, the Company issued 136,248 shares of Series X Preferred Stock to Flame Stockholders and January 2023 Series X Preferred Stock Warrants for 443 shares of Series X Preferred Stock to Flame Warrant Holders. Subject to and upon the requisite approval of the stockholders of Leap, each issued share of Series X Preferred Stock and each share of Series X Preferred Stock issuable pursuant to the January 2023 Series X Preferred Stock Warrants shall convert into 1,000 shares of common stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. In the event that stockholder approval is not obtained, the Company must also include a proposal to approve the conversion of the Series X Preferred Stock to common stock at a meeting of stockholders ("Special Meeting"), to be held no less than once in each subsequent six-month period beginning on the date of the Special Meeting until such approval is obtained. If stockholders have not approved the conversion of the Series X Preferred Stock into common stock by July 17, 2023 (six months from the Effective Date), then, holders of Series X Preferred Stock may thereafter require the Company to repurchase the Series X Preferred Stock at the then-current fair value of the underlying common stock.

Conversion

Subject to stockholder approval and the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors, the Series X Preferred Stock is convertible into common stock at a rate of approximately 1,000 shares of common stock for every one share of Series X Preferred Stock that is converted. On the second business day following stockholder approval, each share of Series X Preferred Stock then outstanding shall automatically convert into 1,000 shares of common stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors.

Voting Rights

Except as otherwise required by law, the Series X Preferred Stock does not have voting rights. However, as long as any shares of Series X Preferred Stock are outstanding, the Company will not, without the affirmative vote of the holders of a majority of the then-outstanding shares of the Series X Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Series X Preferred Stock, (b) alter or amend the Series X Certificate of Designation, (c) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the holders of Series X Preferred Stock, (d) issue shares of Series X Preferred Stock (other than pursuant to, and in accordance with, the Merger Agreement), or increase the number of authorized shares of Series X Preferred Stock, or decrease the number of authorized shares of Series X Preferred Stock below an aggregate number of shares of Series X Preferred Stock then outstanding plus the total number of shares of Series X Preferred Stock issuable pursuant to the Merger Agreement that have not then previously been issued, (e) prior to the requisite approval of the conversion of the Series X Preferred Stock to common stock by the stockholders of Leap, consummate a Fundamental Transaction or any merger or

consolidation of Leap with or into another entity or any stock sale to, or other business combination in which the stockholders of Leap immediately before such transaction do not hold at least a majority of the capital stock of Leap immediately after such transaction, or (f) enter into any agreement with respect to any of the foregoing. The Series X Preferred Stock shall rank, as to distributions of assets upon liquidation, as follows: (i) senior to any class or series of capital stock of Leap created after the closing date specifically ranking by its terms junior to the common stock ("Junior Securities"); (ii) on parity with the common stock and any other class or series of capital stock of Leap created after the closing date specifically ranking by its terms on parity with the Series X Preferred Stock or the common stock ("Parity Securities"); and (iii) junior to any class or series of capital stock of Leap created after the closing specifically ranking by its terms senior to the common stock ("Senior Securities").

Dividends

Holders of Series X Preferred Stock are entitled to receive dividends on shares of Series X Preferred Stock equal, on an as-if-converted-to-common-stock basis, and in the same form as dividends actually paid on shares of the common stock.

Liquidation and Dissolution

Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary ("Liquidation"), each holder of Series X Preferred Stock shall be entitled to receive, in preference to any distributions to the holders of the Junior Securities, pari passu with any distributions to the holders of the Parity Securities, and subject and junior to the prior and superior rights of the holders of any Senior Securities to receive any distributions, an equivalent amount of distributions as would be paid on the common stock underlying such holder's shares of Series X Preferred Stock, determined on an as-converted to common stock basis by treating all then outstanding shares of Series X Preferred Stock as if they had been converted to common stock (without regard to the Beneficial Ownership Limitation) and all then outstanding Parity Securities that are entitled to receive distributions on substantially the same terms as the Series X Preferred Stock as if such then outstanding Parity Securities had been converted to common stock (without regard to any beneficial ownership limitation similar to the Beneficial Ownership Limitation), plus, without duplication, an additional amount equal to any dividends declared but unpaid on such holder's shares of Series X Preferred Stock, before any distributions to holders of any class of any Junior Securities. If, upon any such Liquidation, the assets of the Company shall be insufficient to pay the holders of shares of the Series X Preferred Stock the amount required under the preceding sentence, then all remaining assets of the Company available for distribution to the stockholders of the Company shall be distributed ratably to the holders and the holders of Parity Securities in accordance with the respective amounts that would be payable on all outstanding Series X Preferred Stock and all outstanding Parity Securities if all amounts payable thereon upon any such Liquidation were paid in full.

Redemption

If Stockholder Approval is not obtained within six months from the date of issuance of the Series X Preferred Stock and the Series X Preferred Stock becomes eligible to be settled in cash, the Company will be required to recognize changes in the redemption value immediately as it occurs and then subsequently adjust the carrying amount of the Series X Preferred Stock to equal the redemption value at the end of each reporting period as if the end of the reporting period were also the redemption date for the Series X Preferred Stock. The change in fair value of the Series X Preferred Stock would be recognized as a deemed dividend, which adjusts retained earnings and earnings available to common stockholders in computing basic and diluted earnings per share. Upon cash settlement, if the fair value of the consideration transferred is greater than the carrying amount of the Series X Preferred Stock surrendered, (1) retained earnings should be reduced by the difference and (2) earnings available to common stockholders would be reduced by the difference in accordance with ASC 260-10, Earnings Per Share.

January 2023 Common Stock Warrants and January 2023 Series X Preferred Stock Warrants

In January 2023, pursuant to the Merger, the warrants held by the Flame Warrant Holders became exercisable for 65,301 shares of Leap's common stock (the "January 2023 Common Stock Warrants"). The January 2023 Common Stock Warrants have an exercise price of $0.68 per share and expire in February 2025. The January 2023 Common Stock Warrants qualify for equity classification.

Also in January 2023, pursuant to the Merger, the warrants held by the Flame Warrant Holders became exercisable for 443 shares of Series X Preferred Stock (the "January 2023 Series X Preferred Stock Warrants"). Each share of Series X Preferred Stock is convertible into 1,000 shares of Common Stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. The January 2023 Series X Preferred Stock Warrants have an exercise price of $678.48 per share (subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors) and expire in February 2025.

The Company classifies the January 2023 Series X Preferred Stock Warrants as a liability on its consolidated balance sheet. The Company initially recorded the January 2023 Series X Preferred Stock Warrants as a liability on the Effective Date and the warrant liability will be subsequently remeasured to fair value at each reporting date until the Stockholder Approval to convert shares of Series X Preferred Stock into shares of common stock (from mezzanine equity into permanent equity) is obtained.

Changes in the fair value of the warrant liability are recognized as gains (losses) in the Company's consolidated statement of operations. During the three months ended March 31, 2023, the Company recorded a gain of $50 in its condensed consolidated statement of operations.

4. Accrued Expenses

Accrued expenses consist of the following:

	March 31, 2023	December 31, 2022
Clinical trials	$ 2,374	$ 2,093
Professional fees	398	533
Payroll and related expenses	1,616	2,526
Accrued expenses	$ 4,388	$ 5,152

5. Leases

The Company has operating leases for real estate in the United States and does not have any finance leases. The Company's leases may contain options to renew and extend lease terms and options to terminate leases early. Reflected in the right-of-use asset and lease liability on the Company's consolidated balance sheets are the periods provided by renewal and extension options that the Company is reasonably certain to exercise, as well as the periods provided by termination options that the Company is reasonably certain to not exercise.

The Company's existing lease includes variable lease and non-lease components that are not included in the right-of-use asset and lease liability and are reflected as an expense in the period incurred. Such payments primarily include common area maintenance charges and increases in rent payments that are driven by factors such as future changes in an index (e.g., the Consumer Price Index).

In calculating the present value of future lease payments, the Company utilized its incremental borrowing rate based on the lease term. The Company has elected to account for each lease component and its associated non-lease components as a single lease component and has allocated all of the contract consideration across lease components only. This will potentially result in the initial and subsequent measurement of the balances of the right-of-use asset and lease liability for leases being greater than if the policy election was not applied. The Company has existing net leases in which the non-lease components (e.g. common area maintenance, maintenance, consumables, etc.) are paid separately from rent based on actual costs incurred and therefore are not included in the right-of-use asset and lease liability and are reflected as an expense in the period incurred. During the year ended December 31, 2022, the Company extended the term of its operating lease and recorded an additional right-of-use asset and lease liability of $609. As of March 31, 2023, a right-of-use asset of $569 and lease liability of $577 are reflected on the condensed consolidated balance sheets. The Company recorded rent expense of $114 and $108, respectively, during the three months ended March 31, 2023 and 2022.

Future lease payments under non-cancelable operating leases as of March 31, 2023 are detailed as follows:

Future Operating Lease Payments	
2023	339
2024	268
Total Lease Payments	**607**
Less: imputed interest	(30)
Total operating lease liabilities	**$ 577**

6. Warrants

As of March 31, 2023, the number of shares of common stock and Series X Preferred Stock issuable upon the exercise of outstanding warrants, consisted of the following:

	March 31, 2023			
Description	Number of Common Shares Issuable	Number of Series X Preferred Shares Issuable	Exercise Price	Expiration Date
January 23 2017 Warrants	54,516	—	$ 0.01	Upon M&A Event
2017 Warrants	2,502,382	—	$ 1.055	November 2024
2019 Warrants	6,908,257	—	$ 1.95	February 2026
March 2020 Pre-funded Warrants	8,247,170	—	$ 0.001	No Expiry
March 2020 Coverage Warrants	25,945,035	—	$ 2.11	Jan - March 2027
September 2021 Pre-funded Warrants	5,916,030	—	$ 0.001	No Expiry
January 2023 Common Stock Warrants	65,301	—	$ 0.680	February 2025
January 2023 Series X Preferred Stock Warrants (Convertible 1000 to 1)	—	443	$ 678.48	February 2025
	49,638,691	443		

2017 Warrants

The 2017 Warrants contain full ratchet anti-dilution protection provisions. The Company will recognize on a prospective basis the value of the effect of the down round feature in the 2017 Warrants when it is triggered (i.e., when the exercise price is adjusted downward). This value is measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature will be treated as a dividend and a reduction to income available to common stockholders in the basic EPS calculation.

2019 Warrants

On February 5, 2019, in connection with the 2019 Public Offering, the Company issued immediately exercisable warrants (the "2019 Warrants") to purchase 7,557,142 shares of common stock to investors. The 2019 Warrants have an exercise price of $1.95 per share and expire on February 5, 2026. The 2019 Warrants qualify for equity classification.

During the three months ended March 31, 2023, the Company redeemed 100,000 of the 2019 Warrants at a purchase price of $0.29 per share.

March 2020 Warrants

On January 3, 2020, the Company entered into a Securities Purchase Agreement with investors, providing for a private placement transaction exempt from the Securities Act of 1933, as amended, pursuant to which the Company issued and sold 1,421,801 shares of its Series A Preferred Stock, at a purchase price of $10.54 per share, and 1,137,442 shares of its Series B Preferred Stock at a purchase price of $10.55 per share, and one share of the Company's Special Voting Stock entitling the purchaser of Series A Preferred Stock to elect one member of the Company's Board of Directors.

On March 5, 2020, the Company's stockholders approved the conversion of the Series A Preferred Stock into a pre-funded warrant to purchase 14,413,902 shares of common stock at an exercise price of $0.001 (the "March 2020 Pre-funded Warrants") and the conversion of the Series B Preferred Stock into 11,531,133 shares of common stock. Each investor also received a warrant to purchase an equal number of shares of common stock at an exercise price of $2.11 per share (the "March 2020 Coverage Warrants"). The March 2020 Pre-funded Warrants and the March 2020 Coverage Warrants qualify for equity classification.

The March 2020 Coverage Warrants contain full ratchet anti-dilution protection provisions, relating to the issuance of "Convertible Securities", as defined therein. The Company will recognize on a prospective basis the value of the effect of the down

round feature in the Coverage Warrants when it is triggered (i.e., when the exercise price is adjusted downward). This value is measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature will be treated as a dividend and a reduction to income available to common stockholders in the basic EPS calculation.

During the year ended December 31, 2022, there were cashless exercises of 6,166,732 March 2020 Pre-funded Warrants, exercise price $0.001 per share, resulting in the issuance of 6,161,000 shares of the Company's common stock.

June 2020 Warrants

On June 22, 2020, the Company completed a public offering (the "2020 Public Offering") whereby the Company issued 20,250,000 shares of its common stock, at $2.00 per share and, in lieu of common stock, offered pre-funded warrants (the "June 2020 Pre-funded Warrants") to purchase up to 2,250,000 shares of its common stock to certain investors. The June 2020 Pre-funded Warrants have an exercise price of $0.001 per share and qualify for equity classification.

During the year ended December 31, 2022, there were cashless exercises of 1,690,137 June 2020 Pre-funded Warrants, exercise price $0.001 per share, resulting in the issuance of 1,688,571 shares of the Company's common stock.

September 2021 Warrants

On September 24, 2021, the Company completed a public offering (the "2021 Public Offering") whereby the Company issued 27,568,072 shares of its common stock, at $2.85 per share and, in lieu of common stock, offered pre-funded warrants (the "September 2021 Pre-funded Warrants") to purchase up to 8,771,928 shares of its common stock to certain investors. The September 2021 Pre-funded Warrants have an exercise price of $0.001 per share and qualify for equity classification.

During the year ended December 31, 2022, there were cashless exercises of 2,855,898 September 2021 Pre-funded Warrants, exercise price $0.001 per share, resulting in the issuance of 2,853,351 shares of the Company's common stock.

January 2023 Common Stock Warrants

In January 2023, pursuant to the Merger, the warrants held by the Flame Warrant Holders became exercisable for 65,301 shares of Leap's common stock (the "January 2023 Common Stock Warrants"). The January 2023 Common Stock Warrants have an exercise price of $0.68 per share and expire in February 2025. The January 2023 Common Stock Warrants qualify for equity classification.

January 2023 Series X Preferred Stock Warrants

In January 2023, pursuant to the Merger, the warrants held by the Flame Warrant Holders also became exercisable for 443 shares of Series X Preferred Stock (the "January 2023 Series X Preferred Stock Warrants"). Each share of Series X Preferred Stock is convertible into 1,000 shares of common stock, subject to Stockholder Approval and the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. The January 2023 Series X Preferred Stock Warrants have an exercise price of $678.48 per share (subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors) and expire in February 2025.

The Company classifies the January 2023 Series X Preferred Stock Warrants as a liability on its consolidated balance sheet. The Company initially recorded the January 2023 Series X Preferred Stock Warrants as a liability on the Effective Date and the warrant liability will be subsequently remeasured to fair value at each reporting date until the Stockholder Approval to convert shares of Series X Preferred Stock into shares of common stock (from mezzanine equity into permanent equity) is obtained.

Changes in the fair value of the warrant liability are recognized as gains (losses) in the Company's consolidated statement of operations. During the three months ended March 31, 2023, the Company recorded a gain of $50 in its condensed consolidated statement of operations.

7. Common Stock

Each share of common stock entitles the holder to one vote on all matters submitted to a vote of the Company's stockholders. Common stockholders are entitled to receive dividends, as may be declared by the Board of Directors, if any, subject to the preferential dividend rights of the preferred stockholders. Through March 31, 2023, no dividends have been declared for shares of common stock.

Acquisition of Flame – January 2023

On January 17, Leap acquired 100% of the outstanding equity of Flame. Pursuant to the Merger, Leap issued to Flame Stockholders 19,729,010 shares of common stock. The Company also issued Series X Preferred Stock to Flame Stockholders pursuant to the Merger (see Note 3).

In accordance with Nasdaq listing rules, holders of shares of common stock issued by the Company as consideration for the acquisition of Flame are not entitled to vote any of such shares at any shareholder meeting on the approval of the conversion of the Series X Preferred Stock into common stock.

8. Equity Incentive Plans

Equity Incentive Plans

In September 2012, the Company adopted the 2012 Equity Incentive Plan, as amended, which provides designated employees of the Company and its affiliates, certain consultants and advisors who perform services for the Company and its affiliates, and nonemployee members of the Board of Directors of the Company and its affiliates with the opportunity to receive grants of incentive stock options, nonqualified stock options and stock awards. During the year ended December 31, 2022, the 2012 Equity Plan expired.

On January 20, 2017, the Company's stockholders approved the 2016 Equity Incentive Plan (the "2016 Plan"). Beginning on January 1, 2018, the number of shares of common stock authorized for issuance pursuant to the 2016 Plan was increased each January 1 by an amount equal to 4% of the Company's outstanding common stock as of the end of the immediately preceding calendar year or such other amount as determined by the compensation committee of the Company's Board of Directors.

On June 16, 2022, the Company's stockholders approved the 2022 Equity Incentive Plan (the "2022 Plan"), which provides for a total of 7,500,000 new shares of the Company's common stock to be granted.

As of March 31, 2023, there were 1,190,949 shares available for grant under the Company's equity incentive plans.

A summary of stock option activity under the Equity Plans is as follows:

	Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Life in Years	Aggregate Intrinsic Value
Outstanding at December 31, 2022	11,917,331	3.59	7.47	—
Granted	8,235,000	0.34		
Forfeited	(64,173)	1.90		
Outstanding at March 31, 2023	20,088,158	2.27	8.33	—
Options exercisable at March 31, 2023	8,247,158	4.49	6.35	—
Options vested and expected to vest at March 31, 2023	20,088,158	2.27	8.33	—

The grant date fair value of the options granted during the three months ended March 31, 2023 and 2022 was estimated at the date of grant using the Black-Scholes option valuation model. The expected life was estimated using the "simplified" method as defined by the SEC's Staff Accounting Bulletin 107, Share-Based Payment. The expected volatility was based on the historical volatility of the Company. The risk-free interest rate was based on the continuous rates provided by the U.S. Treasury with a term approximating the expected life of the option. The expected dividend yield was 0% because the Company does not expect to pay any dividends for the foreseeable future. The Company elected the straight-line attribution method in recognizing the grant date fair value of options issued over the requisite service periods of the awards, which are generally the vesting periods.

The weighted average grant date fair value for the stock options granted during the three months ended March 31, 2023 and 2022 was $0.25 and $1.39 per share, respectively.

The assumptions that the Company used to determine the grant-date fair value of stock options granted to employees and directors during the three months ended March 31, 2023 and 2022 were as follows, presented on a weighted average basis:

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Expected volatility	89.99 %	82.70 %
Weighted average risk-free interest rate	3.56 %	1.67 %
Expected dividend yield	0.00 %	0.00 %
Expected term (in years)	6.42	6.01

Stock options generally vest over a three or four year period, as determined by the compensation committee of the Board of Directors at the time of grant. The options expire 10 years from the grant date. As of March 31, 2023, there was approximately $5,866 of unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a remaining weighted-average period of approximately 2.29 years.

Restricted Stock Units

During the three months ended March 31, 2022, the Company granted 2,575,000 Restricted Stock Units (“RSUs”) to employees that will cliff vest and will be settled after three years of continuous service, or upon a change of control of the Company, whichever is earlier, pursuant to the 2016 Plan. The Company did not grant any RSUs during the three months ended March 31, 2023.

The following table presents RSU activity under the 2016 Plan during the three months ended March 31, 2023:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2022	3,585,606	$ 1.89
Vested	(660,606)	$ 1.42
Outstanding at March 31, 2023	2,925,000	$ 2.00

As of March 31, 2023, there were 2,925,000 shares outstanding covered by RSUs that are expected to vest with a weighted average grant date fair value of $2.00 per share and an aggregate grant date fair value of approximately $5,850. As of March 31, 2023, there was approximately $3,353 of unrecognized compensation costs related to RSUs granted to employees, which are expected to be recognized as expense over a remaining weighted average period of 1.8 years.

The Company recognized stock-based compensation expense related to the issuance of stock option awards and RSUs to employees and non-employees in the condensed consolidated statements of operations during the three months ending March 31, 2023 and 2022 as follows:

Stock Based Compensation Expense

	Three Months Ended March 31,	
	2023	2022
Research and development	$ 704	$ 554
General and administrative	606	650
Total	$ 1,310	$ 1,204

9. Net Loss Per Share

Basic and diluted net loss per share for the three months ended March 31, 2023 and 2022 was calculated as follows (in thousands except share and per share amounts).

	Three Months Ended March 31,	
	2023	2022
Numerator:		
Net loss	$ (41,863)	$ (10,376)
Net loss attributable to common stockholders for basic and diluted loss per share	$ (41,863)	$ (10,376)
Denominator:		
Weighted average number of common shares outstanding – basic and diluted	129,344,272	113,248,937
Net loss per share attributable to common stockholders – basic and diluted	$ (0.32)	$ (0.09)

Included within weighted average common shares outstanding for the three months ended March 31, 2023 and 2022 are 14,217,716 and 24,930,483, respectively, common shares issuable upon the exercise of the pre-funded warrants and penny warrants, as the warrants are exercisable at any time for nominal consideration, and as such, the shares are considered outstanding for the purpose of calculating basic and diluted net loss per share attributable to common stockholders.

All warrants and shares of Series X Preferred Stock issued participate on a one-for-one basis with common stock in the distribution of dividends, if and when declared by the board of directors, on the Company's common stock. For purposes of computing EPS, these warrants are considered to participate with common stock in earnings of the Company. Therefore, the Company calculates basic and diluted EPS using the two-class method. Under the two-class method, net income for the period is allocated between common stockholders and participating securities according to dividends declared and participation rights in undistributed earnings. No income was allocated to the warrants and Series X Preferred Stock for the three months ended March 31, 2023 and 2022, as results of operations were a loss for the period.

The Company's potentially dilutive securities include RSUs, stock options and warrants. These securities were excluded from the computations of diluted net loss per share for the three months ended March 31, 2023 and 2022, as the effect would be to reduce the net loss per share. The following table includes the potential shares of common stock, presented based on amounts outstanding at each period end, that were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	Three Months Ended March 31,	
	2023	2022
Restricted stock units to purchase common stock	2,925,000	3,510,606
Options to purchase common stock	20,088,158	9,101,507
Warrants to purchase common stock	35,420,975	35,455,674
	58,434,133	48,067,787

Pursuant to the Merger, the Company issued 136,248 shares of Series X Preferred Stock to Flame Stockholders. As of March 31, 2023, the number of potentially dilutive shares of the Company's common stock into which these Series X preferred shares can be converted into is 136,248,000, and is not included in diluted earnings per share since the shares are contingently convertible. Subject to and upon the requisite approval of the stockholders of Leap, each issued share of Series X Preferred Stock shall convert into 1,000 shares of common stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. In the event that stockholder approval is not obtained, the Company must also include a proposal to approve the conversion of the Series X Preferred Stock into common stock at a meeting of stockholders ("Special Meeting"), to be held no less than once in each subsequent six-month period beginning on the date of the Special Meeting until such approval is obtained. If stockholders have not approved the conversion of the Series X Preferred Stock into common stock by July 17, 2023 (six months from the Effective Date), then, holders of Series X Preferred Stock may thereafter require the Company to repurchase the Series X Preferred Stock at the then-current fair value of the underlying common stock.

10. Commitments and Contingencies

Manufacturing Agreements—The Company is party to manufacturing agreements with vendors to manufacture DKN-01, its lead product candidate, for use in clinical trials. As of March 31, 2023, there were $3,469 noncancelable commitments under these agreements.

License and Service Agreement—On January 3, 2011, the Company entered into a license agreement with Eli Lilly and Company ("Lilly"), a shareholder, to grant a license to the Company for certain intellectual property rights relating to pharmaceutically active compounds that may be useful in the treatment of bone healing, cancer and, potentially, other medical conditions. As defined in the license agreement, the Company would be required to pay royalties to Lilly based upon a percentage in the low single digits of net sales of developed products, if and when achieved. However, there can be no assurance that clinical or commercialization success of developed products will occur, and no royalties have been paid or accrued through March 31, 2023.

License Agreement—On May 28, 2015, the Company entered into a license agreement with Lonza Sales AG ("Lonza"), pursuant to which Lonza granted the Company a world-wide, non-exclusive license for certain intellectual property relating to a gene expression system for manufacturing DKN-01. As defined in the license agreement, the Company would be required to pay royalties to Lonza based on a percentage in the low single digits of net sales of DKN-01, if and when achieved. However, there can be no assurance that clinical or commercialization success will occur, and no royalties have been paid or accrued through March 31, 2023.

Legal Proceedings—At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. The Company expenses as incurred the costs related to its legal proceedings. As of the date of this report, the Company is not currently a party to any material legal proceedings.

Indemnification Agreements—In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with members of its board of directors that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not aware of any claims under indemnification arrangements, and it has not accrued any liabilities related to such obligations in its condensed consolidated financial statements as of March 31, 2023 or December 31, 2022.

Item 2. 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 ("MD&A") is intended to help the reader understand our results of operations and financial condition. This MD&A is provided as a supplement to, and should be read in conjunction with, our condensed consolidated financial statements and the accompanying notes thereto and other disclosures included in this Quarterly Report on Form 10-Q, including the disclosures under Part II, Item IA "Risk Factors," and our audited condensed consolidated financial statements and the accompanying notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the Securities and Exchange Commission, or the SEC, on March 24, 2023. Our condensed consolidated financial statements have been prepared in accordance with U.S. GAAP and, unless otherwise indicated, amounts are presented in U.S. dollars.

Company Overview

We are a biopharmaceutical company developing biomarker-targeted antibody therapies designed to treat patients with cancer by inhibiting fundamental tumor-promoting pathways, targeting cancer-specific cell surface molecules, and harnessing the immune system to attack cancer cells. Our strategy is to identify, acquire, and develop molecules that will rapidly translate into high impact therapeutics that generate durable clinical benefit and enhanced patient outcomes.

Our lead clinical stage program is DKN-01, a monoclonal antibody that inhibits Dickkopf-related protein 1, or DKK1. We are currently studying DKN-01 in multiple ongoing clinical trials in patients with esophagogastric cancer, gynecologic cancers, or colorectal cancer. Our second clinical stage program is FL-301, a monoclonal antibody that targets cells that express Claudin18.2 on their cell surface. We also have two preclinical antibody programs, FL-302 and FL-501.

We intend to apply our extensive experience identifying and developing transformational products to build a pipeline of programs that have the potential to change the practice of cancer medicine.

Recent Developments

Since December 31, 2022, we have continued to make progress with the development of DKN-01 and our business strategy.

- ***Leap completed the acquisition of Flame Biosciences and added FL-301 and two preclinical antibody programs to Leap's pipeline***. In January 2023, Leap acquired Flame Biosciences, Inc. ("Flame") and its assets, including FL-301, its clinical stage anti-Claudin18.2 monoclonal antibody, FL-302, its preclinical anti-Claudin18.2/CD137 bispecific monoclonal antibody, FL-501, its preclinical anti-GDF15 monoclonal antibody, and cash of approximately $50.4 million as of January 17, 2023 (the "Effective Date"). In the merger, Leap issued 19,729,010 shares of its common stock and 136,248 shares of Series X Preferred Stock to Flame stockholders and assumed warrants exercisable for 65,301 shares of common stock and 443 shares of Series X Preferred Stock. Leap will seek stockholder approval for the conversion of the Series X Preferred Stock into common stock, pursuant to the terms of the Certificate of Designation and Nasdaq rules, at the 2023 Annual Meeting of Stockholders, which is expected to be held on June 16, 2023. Upon stockholder approval, each share of Series X Preferred Stock will convert into 1,000 shares of common stock, subject to the terms of any reverse stock split approved by the stockholders and implemented by the Board of Directors.

- ***Leap provided an update on the agreement with BeiGene***. In March 2023, Leap announced that BeiGene's option under the Exclusive Option and License Agreement between Leap and BeiGene, granting rights in certain Asian territories to DKN-01 has expired in accordance with the terms of the agreement. Leap and BeiGene will continue to collaborate on the ongoing Part C of the DisTinGuish trial, a randomized controlled trial of DKN-01 in combination with tislelizumab and chemotherapy in first-line gastric cancer patients, as a clinical collaboration with BeiGene supplying tislelizumab.

- ***Promotion of Jason Baum, Ph.D. to Chief Scientific Officer***. Dr. Baum has served as our Vice President and Head of Translational Research since August 2020 and was promoted to Chief Scientific Officer effective April 1, 2023.

- ***Completion of Enrollment in Part A of DeFianCe Study***. In April 2023, Leap announced that enrollment has been completed in Part A of the Phase 2 DeFianCe study evaluating DKN-01, in combination with standard of care bevacizumab and chemotherapy as a second-line treatment for patients with advanced colorectal cancer (CRC). The Part A cohort enrolled 33 patients.

- ***Upcoming Presentation of Data from Part A of DisTinGuish Study***. In April 2023, Leap announced that new long-term follow-up data in first-line patients with advanced gastroesophageal adenocarcinoma (GEA) from Part A of the DisTinGuish study, a Phase 2 clinical trial evaluating DKN-01 in combination with tislelizumab and chemotherapy, will be presented at the upcoming 2023 American Society of Clinical Oncology (ASCO) Annual Meeting taking place in Chicago, Illinois on June 2-6, 2023. Part A enrolled 25 first-line HER2- GEA cancer patients to receive DKN-01 in combination with tislelizumab and capecitabine and oxaliplatin. Part B enrolled 52 second-line GEA cancer patients whose tumors expressed high levels of DKK1 to receive DKN-01 in combination with tislelizumab. Part C is currently enrolling approximately 160 first-line HER2- GEA cancer patients in a randomized controlled trial of DKN-01 in combination with tislelizumab and chemotherapy compared to tislelizumab and chemotherapy.

Financial Overview

Research and Development Expenses

Our research and development activities have included conducting nonclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for our product candidates, primarily DKN-01. We recognize research and development expenses as they are incurred. Our research and development expenses during the three months ended March 31, 2023 consisted primarily of:

- the fair value of the in-process research and development ("IPR&D") acquired from Flame;
- salaries and related overhead expenses for personnel in research and development functions, including costs related to stock-based compensation;
- fees paid to consultants and CROs for our nonclinical and clinical trials, and other related clinical trial fees, including but not limited to laboratory work, clinical trial database management, clinical trial material management and statistical compilation and analysis;
- costs related to acquiring and manufacturing clinical trial material; and
- costs related to compliance with regulatory requirements.

We plan to increase our research and development expenses for the foreseeable future as we continue the development of DKN-01 and any other product candidates, subject to the availability of additional funding.

Our direct research and development expenses are tracked on a program-by-program basis and consist primarily of internal and external costs, such as employee costs, including salaries and stock-based compensation, other internal costs, fees paid to consultants, central laboratories, contractors and CROs in connection with our clinical and preclinical trial development activities. We use internal resources to manage our clinical and preclinical trial development activities and perform data analysis for such activities.

We participate, through our subsidiary in Australia, in the Australian government's research and development ("R&D") Incentive program, such that a percentage of our eligible research and development expenses are reimbursed by the Australian government as a refundable tax offset and such incentives are reflected as other income.

The table below summarizes our research and development expenses incurred by development program and the R&D Incentive income for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,	
	2023	2022
	(in thousands)	
Direct research and development by program:		
DKN-01 program	$ 9,342	$ 7,740
TRX518 program	18	44
In-process research and development acquired from Flame	29,582	—
Total research and development expenses	$ 38,942	$ 7,784
Australian research and development incentives	$ 272	$ 37

The successful development of our clinical product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs of the efforts that will be necessary to complete the remainder of the development of any of our product candidates or the period, if any, in which material net cash inflows from these product candidates may commence. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- the scope, rate of progress and expense of our ongoing, as well as any additional, clinical trials and other research and development activities;
- future clinical trial results; and
- the timing and receipt of any regulatory approvals.

A change in the outcome of any of these variables with respect to the development of a product candidate could result in a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we currently anticipate will be required for the completion of clinical development of a product candidate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time on the completion of clinical development.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related costs, including stock-based compensation, for personnel in executive, finance and administrative functions. General and administrative expenses also include direct and allocated facility-related costs as well as professional fees for legal, patent, consulting, accounting and audit services.

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

Interest income

Interest income consists primarily of interest income earned on cash and cash equivalents.

Research and development incentive income

Research and development incentive income includes payments under the R&D Incentive program from the government of Australia. The R&D Incentive program is one of the key elements of the Australian Government’s support for Australia’s innovation system. It was developed to assist businesses in recovering some of the costs of undertaking research and development. The research and development tax incentive provides a tax offset to eligible companies that engage in research and development activities.

Companies engaged in research and development may be eligible for either:

- a refundable tax offset at a rate of 18.5% above the company's tax rate for entities with income of less than A$20 million per annum, or
- a non-refundable tax offset for all other entities which is a progressive marginal tiered R&D intensity threshold. Increasing rates of benefit apply for incremental research and development expenditure by intensity:
    - 0 to 2% intensity: an 8.5% premium to the company's tax rate
    - Greater than 2% intensity: a 16.5% premium to the company's tax rate.

We recognize as income the amount we expect to be reimbursed for qualified expenses.

Foreign currency translation adjustment

Foreign currency translation adjustment consists of gains (losses) due to the revaluation of foreign currency transactions attributable to changes in foreign currency exchange rates associated with our Australian subsidiary.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of our financial statements and related disclosures requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and the disclosure of contingent assets and liabilities in our financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting policies are described under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations— Critical Accounting Policies and Significant Judgments and Estimates" in our Annual Report on Form 10-K filed with the SEC on March 24, 2023, and the notes to the condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q. We believe that of our critical accounting policies, the following accounting policies involve the most judgment and complexity:

- revenue recognition;
- accrued research and development expenses;
- research and development incentive receivable; and
- stock-based compensation.

Results of Operations

Comparison of the Three Months Ended March 31, 2023 and 2022

The following table summarizes our results of operations for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,		Change
	2023	2022	
	(in thousands)		
Operating expenses:			
Research and development	$ 38,942	$ 7,784	$ 31,158
General and administrative	3,784	2,848	936
Total operating expenses	42,726	10,632	32,094
Loss from operations	(42,726)	(10,632)	(32,094)
Interest income	848	5	843
Interest expense	—	(21)	21
Australian research and development incentives	272	37	235
Foreign currency gain (loss)	(307)	235	(542)
Change in fair value of warrant liability	50	—	50
Net loss	$ (41,863)	$ (10,376)	$ (31,487)

Research and Development Expenses

	Three Months Ended March 31,		Increase (Decrease)
	2023	2022	
	(in thousands)		
Direct research and development by program:			
DKN-01 program	$ 9,342	$ 7,740	$ 1,602
TRX518 program	18	44	(26)
In-process research and development acquired from Flame	29,582	—	29,582
Total research and development expenses	$ 38,942	$ 7,784	$ 31,158

Research and development expenses were $38.9 million for the three months ended March 31, 2023, compared to $7.8 million for the three months ended March 31, 2022. The increase of $31.1 million in research and development expenses during the three months ended March 31, 2023 as compared to the same period in 2022, was primarily due to $29.6 million of in-process research and development (“IPR&D”) acquired in the Flame merger which the Company expensed during the three months ended March 31, 2023. The increase was also attributable to $0.8 million in manufacturing costs related to clinical trial material and manufacturing campaigns, $0.8 million in payroll and other related expenses due to an increase in headcount of our research and development full-time employees and an increase of $0.1 million in stock-based compensation expense due to new stock options granted to research and development full-time employees. These increases were partially offset by a $0.2 million decrease in clinical trial costs.

General and Administrative Expenses

General and administrative expenses were $3.8 million for the three months ended March 31, 2023, compared to $2.8 million for the three months ended March 31, 2022. The increase of $1.0 million in general and administrative expenses was primarily due to an increase of $0.7 million in professional fees due to higher finance and legal costs associated with our business development

activities and a $0.3 million increase in payroll and other related expenses due to an increase in headcount of our general and administrative full-time employees.

Interest Income

During the three months ended March 31, 2023, we recorded interest income of $0.8 million. During the three months ended March 31, 2022, we recorded an immaterial amount of interest income. The increase during the three months ended March 31, 2023 as compared to the same period in 2022 was due to higher interest rates.

Australian Research and Development Incentives

We recorded R&D incentive income of $0.3 million and $0.1 million during the three months ended March 31, 2023 and 2022, respectively, based upon the applicable percentage of eligible research and development activities under the Australian Incentive Program, which expenses included the cost of manufacturing clinical trial material.

The R&D incentive receivable has been recorded as “Research and development incentive receivable” in the condensed consolidated balance sheets.

Foreign Currency Gains (loss)

During the three months ended March 31, 2023 and 2022, we recorded a foreign currency transaction gain (loss) of ($0.3) million and $0.2 million, respectively. Foreign currency transaction gains and losses are due to changes in the Australian dollar exchange rate related to activities of the Australian entity.

Financial Position, Liquidity and Capital Resources

Since our inception, we have been engaged in organizational activities, including raising capital, and research and development activities. We do not yet have a product that has been approved by the Food and Drug Administration (the “FDA”), have not yet achieved profitable operations, nor have we ever generated positive cash flows from operations. There is no assurance that profitable operations, if achieved, could be sustained on a continuing basis. Further, our future operations are dependent on the success of efforts to raise additional capital, our research and commercialization efforts, regulatory approval, and, ultimately, the market acceptance of our products.

In accordance with Accounting Standards Codification (“ASC”) 205-40, Going Concern, we have evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued. As of March 31, 2023, we had cash and cash equivalents of $102.0 million. Additionally, we had an accumulated deficit of $360.0 million at March 31, 2023, and during the three months ended March 31, 2023, we incurred a net loss of $41.9 million. We expect to continue to generate operating losses in the foreseeable future.

We believe that our cash and cash equivalents of $102.0 million as of March 31, 2023 will be sufficient to fund our operating expenses for at least the next 12 months from the issuance of this report on Form 10-Q. In connection with the merger with Flame and pursuant to the Certificate of Designation of the Series X Preferred Stock, if stockholder approval for the conversion of the Series X Preferred Stock to common stock (the "Stockholder Approval") is not obtained from the holders of our common stock within six months from the date of issuance of the Series X Preferred Stock, the holders of Series X Preferred Stock may require us to settle all of the then-outstanding shares of Series X Preferred Stock for cash at fair value. We fully expect the vote to pass and for the Series X Preferred Stock to convert to common stock. However, there can be no assurance that the Stockholder Approval will be received. If we fail to receive the Stockholder Approval within six months from the date of issuance of the Series X Preferred Stock and are required to settle then-outstanding shares of Series X Preferred Stock for cash at fair value, our financial position would be materially adversely affected and we would be forced to seek additional funding, which may not be available on acceptable terms or at all, or reduce or eliminate certain clinical trials, programs and operating expenses, which would adversely affect our business prospects. In addition, to support our future operations, we will seek additional funding through public or private equity financings or government programs and will seek funding or development program cost-sharing through collaboration agreements or licenses with larger pharmaceutical or biotechnology companies. If we do not obtain additional funding or development program cost-sharing, we could be forced to delay, reduce or eliminate certain clinical trials or research and development programs, reduce or eliminate discretionary operating expenses, and delay company and pipeline expansion, which could adversely affect our business prospects. The inability to obtain funding, as and when needed, could have a negative impact on Leap's financial condition and our ability to pursue our business strategies.

Cash Flows

The following table summarizes our sources and uses of cash for each of the periods presented:

	Three Months Ended March 31,	
	2023	2022
	(in thousands)	
Cash used in operating activities	$ (12,700)	$ (11,518)
Cash provided by investing activities	49,317	—
Cash used in financing activities	(29)	(210)
Effect of exchange rate changes on cash and cash equivalents	(50)	32
Net increase (decrease) in cash and cash equivalents	$ 36,538	$ (11,696)

Operating activities. Net cash used in operating activities for the three months ended March 31, 2023 was primarily related to our net loss from the operation of our business of $41.9 million and net changes in working capital, including a decrease in accounts payable and accrued expenses of $2.2 million, an increase in research and development incentive receivable of $0.3 million, an increase in prepaid expenses and other assets of $0.2 million and a decrease in lease liabilities of $0.1 million. These changes were partially offset by a noncash IPR&D expense of $29.6 million, noncash stock based compensation expense of $1.3 million, a decrease of $0.7 million in other assets, change in a right-of-use asset of $0.1 million and foreign currency transaction losses of $0.3 million.

Net cash used in operating activities for the three months ended March 31, 2022 was primarily related to our net loss from the operation of our business of $10.4 million and net changes in working capital, including a decrease in accounts payable and accrued expenses of $2.4 million, a decrease in lease liabilities of $0.1 million and foreign currency transaction gains of $0.2 million. These changes were partially offset by a decrease of $0.3 million in prepaid expenses and other assets, noncash stock based compensation expense of $1.2 million and change in a right-of-use asset of $0.1 million.

Investing Activities. Net cash provided by investing activities for the three months ended March 31, 2023 was related to cash acquired in connection with the acquisition of Flame of $50.4 million and payment of direct and incremental costs of $1.0 million associated with the acquisition of Flame. There were no investing activities during the three months ended March 31, 2022.

Financing Activities. Net cash used in financing activities for the three months ended March 31, 2023 consisted of an immaterial amount paid by the Company for the redemption of 100,000 of the 2019 warrants. Net cash used in financing activities for the three months ended March 31, 2022 consisted of payments of deferred offering costs of $0.2 million.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not Applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is (1) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our President and Chief Executive Officer, who is also serving as Chief Financial Officer and therefore currently serves as both our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of March 31, 2023, our management, with the participation of our Chief Executive Officer, who is also serving as Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework (2013 Framework). Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our principal executive officer and principal financial officer has concluded, based upon the evaluation described above, that, as of March 31, 2023, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports the Company files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such material information is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2023, there were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that materially affected, or are reasonably likely to affect, internal control over financial reporting.

Part II — OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

An investment in our ordinary shares involves a high degree of risk. You should carefully consider the risk factors discussed in Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 as filed with the SEC on March 24, 2023, which could materially affect our business, financial condition, operating results or cash flows. The information presented below updates, and should be read in conjunction with, the risk factors and information disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022 as filed with the SEC on March 24, 2023. Except as presented below, there have been no material changes from the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2022.

We are not in compliance with the Nasdaq continued listing requirements. If we are unable to comply with the continued listing requirements of the Nasdaq Global Market or the Nasdaq Capital Market, our Common Stock could be delisted, which could affect our Common Stock's market price and liquidity and reduce our ability to raise capital.

On November 2, 2022, we received a letter (the "Notice") from Nasdaq Stock Market, or Nasdaq, notifying us that, because the closing bid price for our common stock has been below $1.00 per share for 30 consecutive business days, it no longer complies with the minimum bid price requirement for continued listing on the Nasdaq Global Market. The Notice provided us with a compliance period of 180 calendar days, or until May 1, 2023, to regain compliance.

On April 26, 2023, the Company applied to transfer its securities to The Nasdaq Capital Market (the "Capital Market"), as allowed under Nasdaq Listing Rules. On May 3, 2023, Nasdaq approved the Company's application to list its common stock on the Capital Market. The approval was in part based upon the Company meeting the applicable market value of publicly held shares requirement for continued listing and all other applicable requirements for initial listing on the Capital Market (except for the bid price requirement), the Company's written notice of its intention to cure the deficiency by effecting a reverse stock split, if necessary, its agreement to the conditions outlined in the Nasdaq Listing Agreement, and additional supporting information provided in its application. The Company's securities were transferred to the Capital Market at the opening of business on May 4, 2023 and Nasdaq has determined that the Company will be eligible for an additional 180 calendar day period, or until October 30, 2023, to regain compliance. If at any time during this additional time period the closing bid price of the Company's security is at least $1 per share for a *minimum* of 10 consecutive business days, Nasdaq will provide written confirmation of compliance and this matter will be closed.

If compliance cannot be demonstrated by October 30, 2023, or the Company does not comply with the terms of this extension, Nasdaq will provide written notification that the Company's securities will be delisted. At that time, the Company may appeal the determination to a Hearings Panel.

We have submitted a proposal to our stockholders to approve a reverse stock split in the range of 1 to 5 up to 1 to 20 (the "Reverse Stock Split") in order, in part, to regain compliance with the $1.00 bid price requirement. There can be no assurance that we will regain compliance or otherwise maintain compliance with the other listing requirements for the Nasdaq Global Market or Nasdaq Capital Market.

We cannot assure you that the proposed Reverse Stock Split will increase the price of the Common Stock.

We expect that the Reverse Stock Split will increase the market price of our common stock. However, the effect of the Reverse Stock Split on the market price of our common stock cannot be predicted with any certainty, and the history of reverse stock splits for other companies in our industry is varied, particularly since some investors may view a reverse stock split negatively. It is possible that the per share price of the common stock after the Reverse Stock Split will not increase in the same proportion as the reduction in the number of outstanding shares of common stock following the Reverse Stock Split, and the Reverse Stock Split may not result in a per share price that would attract investors who do not trade in lower priced stocks. In addition, we cannot assure you that the common stock will be more attractive to investors. Even if we implement the Reverse Stock Split, the market price of the common stock may decrease due to factors unrelated to the Reverse Stock Split, including our future performance and the impact of shares available to be sold by the former Flame stockholders. If the Reverse Stock Split is consummated and the trading price of our common stock declines,

the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would occur in the absence of the Reverse Stock Split.

There is no guarantee that the acquisition of Flame by us will increase stockholder value.

We cannot guarantee that the acquisition of Flame and related transactions will not impair stockholder value or otherwise adversely affect our business as a result of the dilution caused by the number of shares of common stock issued to the former Flame stockholders or the risk that the holders of Series X Preferred Stock will redeem their shares for cash in the event that stockholder approval of the Series X Preferred Stock conversion is not obtained by six months from the date of issuance.

In addition, certain of our outstanding warrants that expire on January 3, 2027 and are exercisable for an aggregate of 25,945,035 shares of our common stock at an exercise price per share of $2.11, and certain of our outstanding warrants that expire on November 14, 2024 and are exercisable for an aggregate of 2,502,382 shares of our common stock at an exercise price per share of $1.055, have anti-dilution provisions included in their respective terms that provide for a reduction of the applicable exercise price per share of each of such warrants in the event that we issue any security that is convertible for shares of our common stock and the effective price per share at which we issue any such convertible security is less than the applicable exercise price per share of any of such warrants (any such convertible security being referred to as a "Dilutive Convertible Security"). If we issue any Dilutive Convertible Security, the anti-dilution provisions included in the respective terms of such warrants would cause the applicable exercise price per share of any of such warrants that is higher than the effective price per share at which we issue such Dilutive Convertible Security to be adjusted and reduced to a new applicable exercise price per share that is equal to the effective price per share of such Dilute Convertible Security. Although the effective price per share (on an as-converted to common stock basis) of $0.5501 at which we issued the shares of Series X Preferred Stock to the former Flame stockholders at the closing of the acquisition was less than the applicable exercise price per share of each of such warrants, we do not believe that the anti-dilution provisions included in the respective terms of such warrants were triggered by such issuance of Series X Preferred Stock because the Series X Preferred Stock, by its terms, was not convertible into shares of our common stock at the time the Series X Preferred Stock was issued and would not be convertible at any time thereafter into shares of our common stock unless the requisite approval of the stockholders of Leap were obtained approving such conversion, in which case such shares of Series X Preferred Stock would be convertible into shares of our common stock at that time in accordance with the terms of the Series X Preferred Stock. If there is a disagreement between us and the holders of such warrants about whether the anti-dilution provisions included in the respective terms of such warrants were triggered by the issuance or, if applicable, the subsequent conversion of the Series X Preferred Stock, and if it were ultimately determined that such anti-dilution provisions were triggered by the issuance or, if applicable, the subsequent conversion of the Series X Preferred Stock, the applicable exercise price per share of each of such warrants would be adjusted and reduced to $0.5501 per share. Any such adjustment and reduction of the applicable exercise price per share of such warrants would dilute stockholder value. There can be no assurance that the benefits and value to be generated by us or our stockholders from the acquisition would exceed any dilution to stockholder value that may result from any such adjustment and reduction of the applicable exercise price per share of such warrants. All references in this paragraph to a number of shares of our common stock or to prices per share are subject to appropriate proportionate adjustment to reflect the effect of the Reverse Stock Split, if approved by the shareholders and effected by the board of directors.

If we fail to obtain the required stockholder approval to convert the Series X Preferred Stock into common stock, we may be required to redeem the shares of Series X Preferred Stock at their as-converted fair market value.

In connection with the merger with Flame and pursuant to the Certificate of Designation of the Series X Preferred Stock, if stockholder approval for the conversion of the Series X Preferred Stock to common stock (the "Stockholder Approval") is not obtained from the holders of our common stock within six months from the date of issuance of the Series X Preferred Stock, the Company will have an obligation to settle all of the then-outstanding shares of Series X Preferred Stock for cash at fair value. There can be no assurance that the Stockholder Approval will be received. Failure to receive the Stockholder Approval within six months from the date of issuance of the Series X Preferred Stock would have a material adverse effect on our financial position, and we could be forced to seek additional funding, which may not be available on acceptable terms or at all, or reduce or eliminate certain clinical trials, programs and operating expenses, which would adversely affect our business prospects. If we are forced to redeem a significant amount of shares of Series X Preferred Stock for cash as described above, such cash settlement could materially affect our results of operations, including raising a substantial doubt about our ability to continue as a going concern.

Sales of a substantial number of shares of our Common Stock in the public market by our stockholders, particularly the former Flame stockholders, could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to comply with Nasdaq listing requirements or raise capital through the sale of additional equity securities. In the merger with Flame, we issued approximately 19,729,010 shares of our common stock and 136,248 shares of Series X Preferred Stock, which are convertible into approximately 136,248,000 shares of Common Stock (subject to adjustment pursuant to the Reverse Stock Split) upon approval by our stockholders, to the former stockholders of Flame, and 65,301 shares of common stock and 443 shares of Series X Preferred Stock, convertible into 443,000 shares of common stock, subject to existing Flame Warrant terms. These were issued as unregistered securities, and we filed a resale registration statement on Form S-3 to permit the resale of these shares. We are unable to predict the effect that sales may have on the prevailing market price of our common stock. Substantial sales of common stock by our stockholders, particularly those who acquired their shares through the merger with Flame, could have a material adverse effect on the trading price of our common stock.

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

On January 17, 2023, pursuant to the merger with Flame, Leap issued to the Flame Stockholders 19,729,010 shares of common stock and 136,248 shares of Series X Preferred Stock, which was a newly designated series of preferred stock that is intended to have economic rights equivalent to the common stock, but with limited voting rights, and issued to the Flame Warrant Holders the right to acquire 65,301 shares of common stock and 443 shares of Series X Preferred Stock. Each share of Series X Preferred Stock is convertible into 1,000 shares of Common Stock, subject to the terms of any reverse stock split approved by the stockholders and effected by the Board of Directors. Under the terms of the Merger Agreement, Leap held back approximately 15,604 shares (the “Holdback Shares”) out of the aggregate number of shares of Series X Preferred Stock that the Flame Stockholders otherwise would be entitled to receive pursuant to the merger so that Leap can have recourse to the Holdback Shares for purposes of satisfying certain claims for indemnification that Leap may have against the Flame Stockholders in connection with the merger. The holdback period is one year from the Effective Date. Leap acquired cash of approximately $50.4 million, certain working capital items, and a portfolio of clinical and pre-clinical-stage intellectual property in connection with the merger. These unregistered securities were issued in reliance on the exemption to registration pursuant to Rule 506 and Section 4(2) of the Securities Act of 1933, as amended.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

See the Exhibit Index immediately prior to the signature page to this Quarterly Report on Form 10-Q for a list of exhibits filed or furnished with this report, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

2.1	Merger Agreement, dated January 17, 2023, by and among Leap Therapeutics, Inc., Fire Merger Sub, Inc., Flame Biosciences LLC, Flame Biosciences, Inc., and the Stockholder Representative named therein (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
3.1	Fourth Amended and Restated Certificate of Incorporation of Leap Therapeutics, Inc. (incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K, as filed on September 10, 2020).
3.2	Certificate of Designation of Preferences, Rights and Limitations of Series X Non-Voting Convertible Preferred Stock filed with the Secretary of State of the State of Delaware on January 17, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
3.3	Certificate of Amendment to the Certificate of Designation of Special Voting Stock (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed on March 16, 2023).
4.1*	Form of Warrant, dated May 6, 2020, by and among the Flame Biosciences, Inc. and the Warrantholders.
10.1*+	Strategic Partnership and License Agreement, dated August 13, 2021, by and between NovaRock Biotherapeutics Ltd. and Flame Biosciences, Inc.
10.2*+	Collaboration Agreement, dated August 10, 2020, by and between Adimab, LLC and Flame Biosciences, Inc.
10.3	Continuing Clinical Collaboration Letter Agreement, dated March 16, 2023, by and between Leap Therapeutics, Inc. and BeiGene, Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 16, 2023).
10.4	Second Amendment to Executive Employment Agreement, dated April 3, 2023, by and between the Company and Dr. Cynthia Sirard (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on April 7, 2023).
10.5*	Second Amendment to Executive Employment Agreement, dated April 3, 2023, by and between the Company and John Mark O'Mahony.
10.6*	Executive Employment Agreement, by and between the Company and Jason S. Baum.
10.7*	First Amendment to Executive Employment Agreement, dated April 3, 2023, by and between the Company and Jason S. Baum.
10.8	Support Agreement by and between Leap Therapeutics, Inc. and HealthCare Ventures IX L.P., dated January 17, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
10.9	Support Agreement by and between Leap Therapeutics, Inc. and HealthCare Ventures VIII Liquidating Trust, dated January 17, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
10.10	Registration Rights Agreement, dated January 17, 2023, by and among the Company and the Holders (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).

31.1*	Certification of Chief Executive Officer and Chief Financial Officer Required Under Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following materials from Leap Therapeutics, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, formatted in XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at March 31, 2023 and December 31, 2022, (ii) Condensed Consolidated Statements of Operations for the three months ended March 31, 2023 and 2022, (iii) Condensed Consolidated Statements of Comprehensive Loss for the three months ended March 31, 2023 and 2022, (iv) Condensed Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2023 and 2022, (v) Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2023 and 2022, and Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

**Furnished with this report.

+ Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10).

SIGNATURES

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

LEAP THERAPEUTICS, INC.

Date: May 15, 2023

By: /s/ Douglas E. Onsi
Douglas E. Onsi
President, Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer, Principal Financial Officer and Duly Authorized Signatory)

Exhibit 4.1

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH TRANSACTION UNDER APPLICABLE SECURITIES LAWS OR UNLESS OFFERED, SOLD, PLEDGED, HYPOTHECATED OR TRANSFERRED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS. THE COMPANY SHALL BE ENTITLED TO REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

FLAME BIOSCIENCES, INC.

AMENDED AND RESTATED STOCK WARRANT

February 24, 2020

Void After February 24, 2025

WHEREAS, Flame Biosciences, Inc., a Delaware corporation (the "***Company***"), previously issued to [ ] (the "***Original Holder***") that certain Series A Convertible Stock Warrant for [ ] fully-paid and non-assessable shares of Series A Preferred Stock of the Company, dated as of February 24, 2020 (the "***Original Warrant***");

WHEREAS, the Original Holder assigned a portion of the Original Warrant to the undersigned on May 6, 2020; and

WHEREAS, Company and the Holder (as defined below) desire to agree to and confirm (i) the cancellation of the Original Warrant, (ii) the amendment and restatement of the terms of the Original Warrant as set forth herein in order to allow for exercise for shares of Common Stock of the Company under certain circumstances, and (iii) the reissuance of a portion of the Original Warrant, as amended and restated hereby, for the number of shares assigned to the Holder.

NOW, THEREFORE, in consideration of the premises contained herein and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Company and the Holder hereby amend and restate the terms of the Original Warrant to read in their entirety as follows:

THIS CERTIFIES THAT, for value received and subject to the terms and conditions set forth below, the undersigned (the "***Holder***"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from Flame Biosciences, Inc., a Delaware corporation (the "***Company***"), [ ] fully-paid and non-assessable shares of Exercise Stock (defined below).

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

(a) "***Common Stock***" shall mean the Company's common stock, par value $0.0001 per share.

(b) "***Exercise Period***" shall mean the period commencing on the date of issuance and ending five years after the date of issuance on February 24, 2025, unless sooner terminated as provided below.

(c) "***Exercise Price***" shall mean $3.50 per share of Exercise Stock.

(d) "***Exercise Stock***" shall mean (i) initially, Series A Preferred Stock, and (ii) on and after the date, if any, on which the holders of a majority of the Series A Preferred Stock voluntarily elect to convert of all of the outstanding shares of Series A Preferred Stock, in accordance with the terms of the Company's certificate of incorporation, into Common Stock, then Common Stock. For avoidance of doubt, on or after such conversion of all of the outstanding shares of Series A Preferred Stock into Common Stock, this Warrant shall only be exercisable for Common Stock.

(e) ***"Sale of the Company***" shall mean (i) a transaction or series of related transactions with one or more non-affiliates, pursuant to which such non-affiliate(s) acquires capital stock of the Company or the surviving entity, in either case, possessing the voting power to elect a majority of the board of directors or a majority of the outstanding capital stock of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's outstanding capital stock or otherwise); or (ii) the sale, lease or other disposition (including exclusive license) of all or substantially all of the Company's assets or any other transaction resulting in all or substantially all of the Company's assets being converted into securities of any other entity or cash; provided, however, that the sale by the Company of capital stock for the purpose of financing its business shall not be deemed to be a Sale of the Company.

(f) "***Series A Preferred Stock***" shall mean the Company's Series A Preferred Stock, par value $0.0001 per share.

(g) "***Warrant Shares***" shall mean the shares of Exercise Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

2. EXERCISE OF WARRANT.

(a) **Method of Exercise**. The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company:

(i) an executed Notice of Exercise in the form attached hereto;

(ii) this Warrant; and

(iii) Payment:

(1) Payment of the then-applicable Exercise Price per share multiplied by the number of Warrant Shares being purchased upon exercise of the Warrant (such amount, the "***Aggregate Exercise Price***") made in the form of cash, or by certified check, bank draft or money order payable in lawful money of the United States of America or in the form of a Cashless Exercise to the extent permitted in Section 2(a)(iii)(2) below.

(2) If at the time of exercise there is no effective registration statement for the resale of the Warrant Shares, or the prospectus contained therein is not available for use, the Holder may, in its sole discretion, exercise all or any part of the Warrant in a "cashless" or "net-issue" exercise (a "***Cashless Exercise***") by delivering to the Company (A) the Notice of Exercise and (B) the original Warrant, pursuant to which the Holder shall surrender the right to receive upon exercise of this Warrant, a number of Warrant Shares having a value (as determined below) equal to the Aggregate Exercise Price, in which case, the number of Warrant Shares to be issued to the Holder upon such exercise shall be calculated using the following formula:

$$X = \frac{Y * (A - B)}{A}$$

with: X = the number of Warrant Shares to be issued to the Holder

Y = the number of Warrant Shares with respect to which the Warrant is being exercised

A = the fair value per share of Exercise Stock on the date of exercise of this Warrant

B = the then-current Exercise Price of the Warrant

Solely for the purposes of this paragraph, "***fair value***" per share of Exercise Stock shall mean the average Closing Price (as defined below) per share of Exercise Stock for the twenty (20) Trading Days immediately preceding the date on which the Notice of Exercise is deemed to have been sent to the Company. "***Closing Price***" means, for any date, the price determined by the first of the following clauses that applies: (a) if Exercise Stock is then listed or quoted on the NASDAQ Capital Market or any other national securities exchange, the closing price per share of Exercise Stock for such date (or the nearest preceding date) on the primary eligible market or exchange on which Exercise Stock is then listed or quoted; (b) if prices for Exercise Stock are then quoted on the OTC Bulletin Board or any tier of the OTC Markets, the closing bid price per share of Exercise Stock for such date (or the nearest preceding date) so quoted; or (c) if prices for Exercise Stock are then reported in the "Pink Sheets" published by the National Quotation Bureau Incorporated (or a similar organization or agency succeeding to its functions of reporting prices), the most recent closing bid price per share of Exercise Stock so reported. If Exercise Stock is not publicly traded as set forth above, the "fair value" per share of Exercise Stock shall be reasonably and in good faith determined by the Board of Directors of the Company as of the date which the Notice of Exercise is deemed to have been sent to the Company. "***Trading Day***" means a day on which Exercise Stock is traded on an applicable national securities exchange, on the OTC Bulletin Board or otherwise.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a cashless exercise transaction shall be deemed to have been acquired by the Holder, and the holding period for such shares shall be deemed to have commenced, on the date of issuance of this Warrant.

(b) **Partial Exercise**. If this Warrant is exercised in part only, the Company shall, upon surrender of this Warrant, execute and deliver, within 10 days of the date of exercise, a new Warrant evidencing the rights of the Holder, or such other person as shall be designated in the Notice of Exercise, to purchase the balance of the Warrant Shares purchasable hereunder. If the Holder exercises this Warrant or attempts to exercise this Warrant before the Company shall have delivered to the Holder a new Warrant as contemplated above, then the Holder shall be deemed to have validly exercised this Warrant pursuant to this Section 2 without having complied with the requirements of Section 2(a)(ii). In no event shall this Warrant be exercised for a fractional Warrant Share, and the Company shall not distribute a Warrant exercisable for a fractional Warrant Share. Fractional Warrant Shares shall be treated as provided in Section 7 hereof.

(c) **Effect of Exercise**. Upon the exercise of the rights represented by this Warrant, shares of Exercise Stock shall be issued for the Warrant Shares so purchased, and shall be registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, on or before the third (3rd) business day after the rights represented by this Warrant shall have been so exercised and shall be issued in certificate or book-entry form and delivered to the Holder, if so requested. The person in whose name any Warrant Shares are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and payment of the Exercise Price was made, irrespective of the date of issuance of the shares of Exercise Stock, except that,

if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

3. COVENANTS OF THE COMPANY.

(a) **Covenants as to Warrant Shares**. If at any time the number of authorized but unissued shares of Exercise Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Exercise Stock (or other securities as provided herein) to such number of shares as shall be sufficient for such purposes.

(b) **No Impairment**. Except and to the extent as waived or consented to by the Holder or otherwise in accordance with Section 2 hereof, the Company will not, by amendment of its Certificate of Incorporation (as such may be amended from time to time), or through any means, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all such action as may be necessary or appropriate in order to protect the exercise rights of the Holder against impairment.

(c) **Notices of Record Date**. In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend which is the same as cash dividends paid in previous quarters) or other distribution, the Company shall mail to the Holder, at least ten (10) days prior to the record date, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

4. REPRESENTATIONS OF HOLDER.

(a) **Acquisition of Warrant for Personal Account**. The Holder represents and warrants that it is acquiring the Warrant and the Warrant Shares solely for its account for investment and not with a present view toward the public distribution of said Warrant or Warrant Shares or any part thereof and has no intention of selling or distributing said Warrant or Warrant Shares or any arrangement or understanding with any other persons regarding the sale or distribution of said Warrant or Warrant Shares, except as would not result in a violation of the Securities Act. The Holder will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) the Warrant except in accordance with the Securities Act and will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) the Warrant Shares except in accordance with the provisions of the Securities Act.

(b) **Securities Are Not Registered**.

(i) The Holder understands that the offer and sale of the Warrant or the Warrant Shares have not been registered under the Securities Act on the basis that no distribution or public offering of such securities of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(ii) The Holder recognizes that the Warrant and the Warrant Shares may have to be held

indefinitely unless the resale thereof is subsequently registered under the Securities Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Warrant or the Warrant Shares, or to comply with any exemption from such registration.

(iii) The Holder is aware that neither the Warrant nor the Warrant Shares may be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met, including, among other things, the availability of certain current public information about the Company and the required holding period under Rule 144 being satisfied. Holder is aware that any such sale made in reliance on Rule 144, if Rule 144 is available, may be made only in accordance with the terms of Rule 144.

(c) **Disposition of Warrant and Warrant Shares**. The Holder understands and agrees that all certificates evidencing the Warrant Shares to be issued to the Holder may bear a legend in substantially the following form:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR ANY APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE RESALE OF THE SECURITIES UNDER SUCH ACT OR APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A OF SUCH ACT.

5. CHANGES IN OUTSTANDING SHARES. In the event of changes in the outstanding Exercise Stock by reason of stock dividends, split-ups, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment. The form of this Warrant need not be changed because of any adjustment in the number, class, and kind of shares subject to this Warrant. The Company shall promptly provide a certificate from an authorized officer notifying the Holder in writing of any adjustment in the Exercise Price and/or the total number, class, and kind of shares issuable upon exercise of this Warrant, which certificate shall specify the Exercise Price and number, class and kind of shares under this Warrant after giving effect to such adjustment.

6. SALE OF THE COMPANY. In the event of a Sale of the Company, then the Company shall ensure that lawful and adequate provision shall be made whereby the Holder shall thereafter have the right to purchase and receive upon the basis and upon the terms and conditions herein specified and in lieu of the Warrant Shares immediately theretofore issuable upon exercise of this Warrant only as provided for in Section 2(a)(iii)(1), such shares of stock, securities or assets (including cash) as would have been issuable or payable with respect to or in exchange for a number of Warrant Shares equal to the number of Warrant Shares immediately theretofore issuable upon exercise of this Warrant, had such Sale of the Company not taken place, and in any such case appropriate provision shall be made with respect to the rights and interests of the Holder to the end that the provisions hereof (including, without limitation, provision for adjustment of the Exercise Price) shall thereafter be applicable, as nearly equivalent as may be practicable in relation to any share of stock, securities or assets (including cash) thereafter deliverable upon the exercise thereof. The Company shall not effect any Sale of the Company unless prior to or simultaneously with the consummation thereof the successor entity (if other than the Company) resulting from such Sale of the Company, or the entity purchasing or otherwise acquiring such assets or other appropriate corporation or entity shall assume the obligation to deliver to the Holder, at the last address of the Holder

appearing on the books of the Company, such shares of stock, securities or assets (including cash) as, in accordance with the foregoing provisions, the Holder may be entitled to purchase, and the other obligations under this Warrant. The provisions of this Section 6 shall similarly apply to successive Sales of the Company.

7. FRACTIONAL SHARES, ADJUSTMENT OF EXERCISE PRICE. No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Warrant Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of a Warrant Share by such fraction. No adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least $0.0001; provided, however, that any adjustments which by reason of this Section 7 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 7 shall be made to the $0.0001 or to the nearest 1/100th of a share, as the case may be.

8. NO STOCKHOLDER RIGHTS. This Warrant in and of itself shall not entitle the Holder to any voting rights or, except as otherwise set forth herein, other rights as a stockholder of the Company.

9. RESERVATION OF SHARES. The Company shall at all times reserve and keep available out of its authorized but unissued shares of Exercise Stock no less than 100% of the maximum number of shares of Exercise Stock issuable upon full exercise of the Warrant.

10. TRANSFER OF WARRANT. This Warrant and any rights hereunder shall not be transferable by the Holder without the Company's written consent.

11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

12. MODIFICATIONS AND WAIVER. Provisions of this Warrant may be amended or modified, or a provision or requirement hereof waived, only with the written consent of the Company and the Holder.

13. NOTICES, ETC. All notices required or permitted hereunder shall be deemed effectively given if in writing sent to the address specified on the signature page hereto.

14. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

15. GOVERNING LAW. This Warrant shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives,

and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of the Holder. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.

16. DESCRIPTIVE HEADINGS. The descriptive headings of the several paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The language in this Warrant shall be construed as to its fair meaning without regard to which party drafted this Warrant.

17. SEVERABILITY. The invalidity or unenforceability of any provision of this Warrant in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction, or affect any other provision of this Warrant, which shall remain in full force and effect.

18. ENTIRE AGREEMENT. This Warrant constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersede all prior and contemporaneous agreements, representations, and undertakings of the parties, whether oral or written, with respect to such subject matter. This Warrant supersedes and replaces the applicable portion of the Original Warrant and the Original Warrant is hereby cancelled.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of _____, 2020.

FLAME BIOSCIENCES, INC.

By: _____
Name:
Title:

Address for Notice:

Flame Biosciences
555 Madison Avenue, #1201
New York, NY 10022
Attention: Tim Opler

HOLDER:

By: _____

Name:

Address for Notice:

[Signature Page to Amended and Restated Stock Warrant]

NOTICE OF EXERCISE

TO: FLAME BIOSCIENCES, INC.

(1) The undersigned hereby irrevocably elects to exercise this Warrant and to purchase thereunder, _____ full shares of Flame Biosciences, Inc. Series A Preferred Stock or Common Stock, as applicable under the definition of "Exercise Stock" at the time of such exercise pursuant to the terms of the Warrant, issuable upon exercise of the Warrant and delivery of:

☐ $_____ (in cash as provided for in the foregoing Warrant) and any applicable taxes payable by the undersigned pursuant to such Warrant; and

☐ shares of Series A Preferred Stock or Common Stock, as applicable (pursuant to a Cashless Exercise in accordance with Section 2(a)(iii)(2) of the Warrant) (check here if the undersigned desires to deliver an unspecified number of shares equal the number sufficient to effect a Cashless Exercise [ ]).

(2) Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name as is specified below:

_____

(Name)

_____

(Address)

(3) If the shares issuable upon this exercise of the Warrant are not all of the Warrant Shares which the Holder is entitled to acquire upon the exercise of the Warrant, the undersigned requests that a new Warrant evidencing the rights not so exercised be issued in the name of and delivered to:

_____

(Name)

_____

(Address and social security or federal employer identification number (if applicable))

(4) The undersigned represents that (i) the aforesaid shares of Exercise Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares in violation of the Securities Act of 1933, as amended (the "***Securities Act***"); (ii) the undersigned is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned's own interests; (iv) the undersigned understands that the issuance of the shares of Exercise Stock upon exercise of this Warrant has not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because the issuance of such securities has not been registered under the Securities Act, such securities must be held indefinitely unless the resale thereof is subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Exercise Stock may not be sold pursuant to Rule

144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the time period prescribed by Rule 144, that among the conditions for use of Rule 144 is the availability of current information to the public about the Company; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Exercise Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, to the effect that such disposition is not required to be registered pursuant to the Securities Act or any applicable state securities laws; *provided*, that no opinion shall be required for any disposition made or to be made in accordance with the provisions of Rule 144.

Date: _____ Signature: _____

Print Name: _____

Exhibit 10.1

Execution Copy
CONFIDENTIAL

Information in this exhibit identified by [***] is confidential and has been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is both (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed.

STRATEGIC PARTNERSHIP AND LICENSE AGREEMENT

This STRATEGIC PARTNERSHIP AND LICENSE AGREEMENT (this "Agreement") is made as of August 13, 2021 (the "Effective Date"), by and between NOVAROCK BIOTHERAPEUTICS LTD., a Delaware corporation ("NovaRock"), having a place of business at 801 Charles Ewing Blvd, Ewing, NJ 08628, USA, and FLAME BIOSCIENCES, INC., a Delaware corporation ("Flame"), having a place of business at 280 Union Square Drive, New Hope, PA 18938. NovaRock and Flame are referred to in this Agreement individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, NovaRock is a biopharmaceutical company that owns or controls certain intellectual property rights and Know-How related to the generation and development of Antibodies, including NBL-015 the fully human anti-Claudin18.2 monoclonal Antibody optimized through protein engineering to achieve enhanced ADCC, CDC and ADCP effects known as NBL-015;

WHEREAS NovaRock and Flame desire to enter into a collaboration under which NovaRock shall perform activities to execute two Research Programs in the Field to (a) Develop the Bispecific anti-CLDN18.2/CD137Antibody known as NBL-016; and (b) discover and Develop an Additional Bispecific Antibody Directed To a Selected Target; and

WHEREAS, NovaRock is willing to grant to Flame, and Flame desires to obtain, certain exclusive rights and licenses with respect to such intellectual property rights to Develop, Manufacture and Commercialize Licensed Products in the Field in the Territory, in each case, subject to the terms and conditions set forth herein.

Now, THEREFORE, in consideration of the foregoing premises and the covenants contained herein, the receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

Capitalized terms used in this Agreement and not otherwise defined herein shall have the meaning set forth below:

1.1. "AAA" has the meaning set forth in Section 11.3.1.

1.2. "Additional Bispecific Antibody" means a CD137 Bispecific Antibody made using the NovaRock CD137 Platform.

1.3. "Additional Product" means any product comprising or containing an Additional Bispecific Antibody, whether as the sole therapeutically active ingredient or co-formulated or co-administration with other pharmaceutical products or active ingredients, in any dosage form, formulation, presentation, line extension or package configuration.

1.4. "Affiliate" means with respect to either Party, any Person that, directly or indirectly, is controlled by, controls or is under common control with such Party, for so long as such control exists. For purposes of this definition only, "control' means, with respect to any Person, the

direct or indirect ownership of more than fifty percent (50%) of the voting or income interest in such Person (or such lesser maximum percentage permitted in those jurisdictions where majority ownership by foreign entities is prohibited) or the possession otherwise, directly or indirectly, of the power to direct the management or policies of such Person.

1.5. "Agreement" has the meaning set forth in the Preamble.

1.6. "Annual Net Sales" means, with respect to a given Licensed Product in the Territory, the Net Sales generated over any given Calendar Year, or the period comprised between the First Commercial Sale of such Licensed Product and December 31 of the Calendar Year of the First Commercial Sale.

1.7. "Antibody" means any and all antibodies, in each case, whether multiple or single chain, recombinant or naturally occurring or a combination of the foregoing in any species, whole or antigen-binding fragment, including any monospecific or any bispecific, and any, fusions or other modifications thereto.

1.8. "Applicable Law" means any national, supra-national, federal, state or local laws, rules and regulations, including any rules, regulations, guidance or other requirements of the Regulatory Authorities that may be in effect from time to time, including GLPs, GCPs and GMPs, in each case, as applicable to the subject matter and the parties at issue.

1.9. "Arbitration Request" has the meaning set forth in Section 11.3.2.

1.10. "Biosimilar Product" means, with respect to a given Licensed Product in a given country in the Territory, any monoclonal Antibody product sold by a Third Party not authorized by or on behalf of Flame, its Affiliates or Sublicensees, on the basis of a prior Regulatory Approval granted to such Licensed Product, (a) is approved by the FDA as a "biosimilar" or "interchangeable" product pursuant to Section 351(k) of the Public Health Service Act (42 U.S.C. § 262(k)) (or other Applicable Law), (b) is approved by the EMA as a "similar biological medicinal product" pursuant to EU Directive 2001/83/EC (or other Applicable Law), or (c) has received analogous abbreviated Regulatory Approval from the applicable Regulatory Authority in another foreign jurisdiction.

1.11. "Bispecific Antibody" means any Antibody that contains independent binding sites Directed To two (2) Targets or two (2) epitopes on one (1) Target.

1.12. "BLA" means a Biologics License Application (as more fully described in U.S. 21 C.F.R. Part 601.20 or its successor regulation) and all amendments and supplements thereto submitted to the FDA, or any equivalent filing, including a marketing approval application, in a country or regulatory jurisdiction other than the U.S. with the applicable Regulatory Authority, or any similar application or submission for Marketing Approval filed with a Regulatory Authority to obtain marketing approval for a biologic product in a country or in a group of countries.

1.13. "Breaching Party" has the meaning set forth in Section 10.2.

1.14. "Business Day" means a day other than a Saturday, Sunday or a day on which banking institutions in New York, New York are required by Applicable Law to remain closed.

1.15. "Calendar Quarter" shall mean (a) for the first Calendar Quarter of the Term, the period beginning on the Effective Date and ending on the first of the following dates thereafter: March 31, June 30, September 30, or December 31; (b) for each Calendar Quarter of the Term thereafter, each successive period of three (3) consecutive calendar months ending on March 31, June 30, September 30, and December 31; and (c) for the last Calendar Quarter of the Term, the period beginning on January 1, April 1, July 1 or October 1 of the Calendar Quarter in which the Agreement expires or terminates and ending on the effective date of expiration or termination of this Agreement.

1.16. "Calendar Year" shall mean: (a) for the first Calendar Year of the Term, the period beginning on the Effective Date and ending on December 31, 2021; (b) for each Calendar Year of the Term thereafter, each successive period beginning on January 1 and ending twelve (12) consecutive calendar months later on December 31; and (c) for the last Calendar Year of the Term, the period beginning on January 1 of the Calendar Year in which the Agreement expires or terminates and ending on the effective date of expiration or termination of this Agreement.

1.17. "CD137" means the co-stimulatory immune checkpoint member of the tumor necrosis factor receptor family, alternatively known as CD137 and 4-1BB.

1.18. "CD137 Bispecific Antibody" means an Antibody characterized by a binding specificity for CD137 and an independent binding specificity Directed To an epitope of a Selected Target.

1.19. "Change of Control" means a transaction or series of transactions occurring after the Effective Date in which a Party: (a) sells, conveys or otherwise disposes of all or substantially all of its property or business to which this Agreement relates; or (b)(i) merges or consolidates with any other Person (other than a wholly-owned subsidiary of such Party) or (ii) effects any other transaction or series of transactions; in each case ((i) or (ii)), such that the stockholders of such Party immediately prior thereto, in the aggregate, no longer own, directly or indirectly, beneficially or legally, at least fifty percent (50%) of the outstanding voting securities or capital stock of the surviving Person following the closing of such merger, consolidation, other transaction or series of transactions.

1.20. "Claim" has the meaning set forth in Section 9.1.

1.21. "Claudin 18.2" or **"CLDN18.2"** means isoform 2 of human Claudin 18 protein.

1.22. "Claudin Product" has the meaning set forth in Section 5.3.

1.23. "Clinical Supply Agreement" has the meaning set forth in Section 4.4.

1.24. "Clinical Trial" means any human clinical study of a Licensed Product, including any Phase 1 Clinical Trial, Phase 2 Clinical Trial or Phase 3 Clinical Trial.

1.25. "Combination" has the meaning set forth in Section 1.78.

1.26. "Commercialization" means any and all pre-launch, launch and post-launch activities related to the marketing, promoting, distributing (to Third Parties), offering for sale and selling of a product, which may include Clinical Trials that are not mandated by a Regulatory Authority

to support an application to obtain or maintain Regulatory Approvals for such product, and prelaunch and market preparation activities (if any) after Regulatory Approval of a product and prior to commencement of sales of a product. For clarity, Commercialization does not include Development or Manufacturing of a product. When used as a verb, **"Commercialize"** means to engage in Commercialization.

1.27. "Commercially Reasonable Efforts" means, with respect to a Party's obligations or activities under this Agreement, the carrying out of such obligations or activities with a level of effort and resources consistent with the commercially reasonable practices [***].

1.28. "Competing Product" has the meaning set forth in Section 3.10.

1.29. "Confidential Information" means all confidential or proprietary processes, formulae, assays, diagnostics, biomarkers, genetic sequences, algorithms, data, Know-How, improvements, inventions, chemical or biological materials, chemical structures, techniques, standard operating practices, business information, business practices, plans, strategies, or other information that has been created, discovered, or developed by a Party, or has otherwise become known to a Party (other than as a result of disclosure to such Party by the other Party), or to which rights have been assigned to, or otherwise acquired by, a Party, as well as any other information and materials that are deemed confidential or proprietary to or by a Party, in each case, that are disclosed by such Party to the other Party (whether directly or indirectly, intentionally or unintentionally) in connection with the activities hereunder, regardless of whether any of the foregoing are marked "confidential" or "proprietary" or communicated to the other Party by the disclosing Party in oral, written, visual, graphic, or electronic form.

1.30. "Controlled" or **"Controls"** means, when used in reference to an item or intellectual property rights, the legal authority or right of a Party (or any of its Affiliates) (whether by ownership or license, other than pursuant to this Agreement) to grant, in accordance with this Agreement, the right to use such item or a license or sublicense of such intellectual property rights to the other Party, or to otherwise disclose proprietary or trade secret information to such other Party, without breaching the terms of any agreement with a Third Party or misappropriating the proprietary or trade secret information or Know-How of a Third Party, as of the time such grant or disclosure is made pursuant to this Agreement.

1.31. "Cover" means (a) with respect to a granted patent, a claim thereof would be infringed in the absence of a right, authorization, consent or license with respect to such claimed subject matter, or (b) with respect to a patent application that has not been granted, a claim thereof, that

if granted, would be infringed in the absence of a right, authorization, consent or license with respect to such claimed subject matter.

1.32. "Cure Period" has the meaning set forth in Section 10.2.

1.33. "Designation Notice" has the meaning set forth in Section 3.2.2.

1.34. "Development" means all research and pre-clinical and clinical drug development activities, including toxicology, pharmacology, and other pre-clinical efforts, statistical analysis, formulation development, delivery system development, process development, manufacturing scale-up, qualification and validation, the performance of Clinical Trials, including the Manufacturing, as applicable, of a product for use in research and Clinical Trials, or other activities reasonably necessary in order to obtain and maintain Regulatory Approval of a product in the applicable jurisdiction, including the preparation and submission of Regulatory Filings and any regulatory affairs with respect to the foregoing. **"Development"** shall also include Manufacture of a Licensed Product for Clinical Trial use. When used as a verb, **"Develop"** means to engage in Development.

1.35. "Development Expenses" has the meaning set forth in Section 3.6.

1.36. "Directed To" means, with regard to an Antibody or product, that such Antibody or product (a) binds directly to an epitope of an identifiable Target, and (b) exerts its primary diagnostic, prophylactic or therapeutic activity as a result of such direct binding.

1.37. "Disclosing Party" has the meaning set forth in Section 8.1.

1.38. "Dispute" has the meaning set forth in Section 11.1.

1.39. "Divestiture" means (a) the divestiture of a Competing Product through (i) an outright sale or assignment of all material rights in such Competing Product to a Third Party or (ii) an exclusive out-license or sale of all development and commercialization rights with respect to such Competing Product, with no further material role, influence or authority of the applicable Party or its Affiliates, directly or indirectly, with respect to such Competing Product, (b) the complete cessation of all development and commercialization activities with respect to such Competing Product, or (c) the termination of all collaborative activities with Third Parties with respect to such Competing Product; in each case ((b) and (c)) during the applicable Research Term(s). For clarity, the right of the applicable Party or its Affiliates to receive royalties, milestones or other payments in connection with an acquirer, assignee or licensee's development or commercialization of a Competing Product pursuant to sub-section (a) above, shall be permitted for any such Divestiture. When used as a verb, "Divest" and "Divested" means to cause a Divestiture.

1.40. "Dollars" or "$" means United States Dollars.

1.41. "Effective Date" has the meaning set forth in the Preamble.

1.42. "EMA" means the European Medicines Agency of the European Union, or the successor thereto.

1.43. "EU" means all countries that are officially recognized as member states of the European Union at any particular time, including the United Kingdom regardless of whether actually within the European Union.

1.44. "Excluded Target" means Claudin 6 and Tumor Necrosis Factor Receptor 2 (TNFR2).

1.45. "Existing Patents" means those Patents that Cover NBL-015, which Patents are Controlled by NovaRock or any of its Affiliates as of the Effective Date. The Existing Patents are set forth on **Schedule 1.84** and designated as Existing Patents.

1.46. "FDA" means the United States Food and Drug Administration and any successor agency thereto.

1.47. "FFDCA" means the United States Federal Food, Drug, and Cosmetic Act, as amended from time to time, together with any rules, regulations and requirements promulgated thereunder (including all additions, supplements, extensions and modifications thereto).

1.48. "Field" means any therapeutic, prophylactic or diagnostic uses in any and all indications in humans.

1.49. "First Commercial Sale" shall mean, with respect to a Licensed Product and a country, the first sale for monetary value for use or consumption by the end user of such Licensed Product in such country after Marketing Approval for such Product has been obtained in such country.

1.50. "Flame" has the meaning set forth in the Preamble.

1.51. "Flame Indemnitee" has the meaning set forth in Section 91

1.52. "Force Majeure" means any conditions beyond the control of the Parties, including an act of God, acts of terrorism, voluntary or involuntary compliance with any regulation, law or order of any government, war, civil commotion, labor strike or lock-out, epidemic, failure or default of public utilities or common carriers, destruction of production facilities or materials by fire, earthquake, storm or like catastrophe.

1.53. "GAAP" shall mean U.S. generally accepted accounting principles, consistently applied. **1.54. "Gatekeeper"** has the meaning set forth in Section 3.2.2.

1.55. "GCP" shall mean the applicable then-current good clinical practice standards promulgated or endorsed by the FDA, as defined in U.S. 21 C.F.R. Parts 312, 50, 54, and 56 (or such other comparable regulatory standards in other countries, as they may be updated from time to time).

1.56. "GLP" shall mean the applicable then-current good laboratory practice standards promulgated or endorsed by the FDA, as defined in U.S. 21 C.F.R. Part 58 (or such other comparable regulatory standards in other countries, as they may be updated from time to time).

1.57. "GMP" shall mean all applicable standards relating to Manufacturing practices for fine chemicals, intermediates, bulk products or finished biological or pharmaceutical products, including: (a) all applicable requirements detailed in the FDA's current Good Manufacturing Practices regulations, U.S. 21 C.F.R. Parts 210 and 211 and "The Rules Governing Medicinal Products in the European Community, Volume IV, Good Manufacturing Practice for Medicinal Products", as each may be amended from time to time (or such other comparable regulatory requirements in other countries, as they may be updated from time to time); and (b) all Applicable Law promulgated by any Governmental Authority having jurisdiction over the Manufacture of a product.

1.58. "Governmental Authority" means any multi-national, federal, state, local, municipal or other government authority of any nature (including any governmental division, subdivision, department, instrumentality, agency, bureau, branch, office, commission, council, court or other tribunal).

1.59. "IND" means any Investigational New Drug application, (including any amendments thereto) filed with the FDA (as described at 21 C.F.R. Part 312) before the commencement of Clinical Trials of an investigational drug, or any comparable filings with any Regulatory Authority in any other jurisdiction.

1.60. "Indemnifying Party" has the meaning set forth in Section 9.3.1.

1.61. "Indemnitee" has the meaning set forth in Section 9.3.1.

1.62. "Indirect Taxes" has the meaning set forth in Section 5.9.2.

1.63. "Initiation" means, with respect to a given Clinical Trial, the first dosing of a human patient with Licensed Product in such Clinical Trial.

1.64. "IP Disputes" has the meaning set forth in Section 11.2.
1.65. "Joint Patents" has the meaning set forth in Section 6.1.2.
1.66. "JRC" has the meaning set forth in Section 3.5.1.

1.67. "Know-How" means all technical infoiivation and know-how, including biological, chemical, pharmacological, toxicological, clinical, assay, diagnostics, biomarkers, genetic sequences, and related know-how, inventions, discoveries, materials and trade secrets, and manufacturing data, preclinical and clinical data, the specifications of ingredients, the manufacturing processes, formulation, specifications, sourcing information, quality control and testing procedures, and related know-how, materials and trade secrets (whether or not protectable under patent, copyright, trade secrecy or other laws).

1.68. "Licensed Antibody" means (a) NBL-015; (b) NBL-016 and derivatives thereof Developed pursuant to Research Program 1; and (c) following Flame's election under Section 3.9, any Additional Bispecific Antibody.

1.69. "Licensed Product" means any product comprising or containing a Licensed Antibody, whether as the sole therapeutically active ingredient or co-formulated or co-administration with other pharmaceutical products or active ingredients, in any dosage form, formulation, presentation, line extension or package configuration. For clarity, Licensed Products shall include Additional Products.

1.70. "Licensed Product Infringement" has the meaning set forth in Section 6.3.1.

1.71. "Licensed Product Patents" means NovaRock Patents that solely Cover or claim a Licensed Antibody or Licensed Product. For clarity, a Licensed Product Patent includes a divisional or continuation patent application that claims priority to a NovaRock Patent that Covers or claims Antibodies that are not licensed to Flame.

1.72. "Losses" has the meaning set forth in Section 9.1.

1.73. "Manufacture" or **"Manufacturing"** means all activities and processes related to the manufacturing of a Licensed Product, [***].

1.74. "Marketing Approval" shall mean such approvals, licenses, registrations or authorizations of the Regulatory Authorities in a country, that are necessary to Commercialize a product in such country, including any BLAs. Marketing Approval shall not be deemed to include Pricing and Reimbursement Approval.

1.75. "MHLW" means the Ministry of Health, Labour and Welfare of Japan, or the Pharmaceuticals and Medical Devices Agency of Japan (or any successor to either of them, as the case may be).

1.76. "NBL-015" means the fully human anti-Claudin 18.2 monoclonal Antibody optimized through protein engineering to achieve enhanced ADCC, CDC and ADCP as described in IND #155900, known as NBL-015, that NovaRock is Developing as of the Effective Date.

1.77. "NBL-016" means the Bispecific Antibody Directed To CLDN18.2 and CD137 discovered and being Developed by NovaRock as of the Effective Date, as further described on **Schedule 1.77.**

1.78. "Net Sales" means, with respect to a Licensed Product, [***]:

1.78.1. [***];

1.78.2. [***];

1.78.3. [***];

1.78.4. [***]; and

1.78.5. [***].

Such amounts shall be determined from the books and records of Flame, its Affiliates, and Sublicensees, as applicable, [***].

Net Sales shall not include [***].

In the event a Licensed Product is sold in combination with one or more other active ingredients or products which are not Licensed Products under this Agreement (as used in this definition of Net Sales, a **"Combination"),** then for each Calendar Quarter payment period and on a country-by-country basis for the remainder of this paragraph, the gross amount invoiced for that Licensed Product shall be calculated by multiplying the gross amount invoiced for such Combination by the fraction A/(A+B), where "A" is the gross amount invoiced for such Licensed Product sold separately and "B" is the gross amount invoiced for the other active ingredient(s) sold separately. In the event that the other active ingredient is not sold separately, then the gross amount invoiced for that Licensed Product shall be calculated by multiplying the gross amount invoiced for the Combination by the fraction A/C, where "A" is the gross

invoice amount for such Licensed Product, if sold separately, and "C" is the gross invoice amount for the Combination. In the event that a particular Combination is not addressed by the foregoing, Net Sales for royalty determination shall be determined by Flame in good faith.

1.79. "Non-Breaching Party" has the meaning set forth in Section 10.2.

1.80. "NovaRock" has the meaning set forth in the Preamble.

1.81. "NovaRock Indemnitee" has the meaning set forth in Section 9.2.

1.82. "NovaRock Know-How" means any Know-How that is owned or Controlled by NovaRock or any of its Affiliates as of the Effective Date or thereafter during the Term and that is necessary or reasonably useful for, or directly related to, the Development, Manufacture, Commercialization, use, sale, offering for sale or importation of the Licensed Antibody or Licensed Products, including any such Know-How related to the NovaRock Platform, as well as tangible materials that are provided by NovaRock to Flame for use in the conduct of Development. "NovaRock Know-How" shall include, but is not limited to, the sequences and characteristics of the Licensed Antibodies.

1.83. "NovaRock Licensed Technology" means the NovaRock Patents and the NovaRock Know-How.

1.84. "NovaRock Patents" means those Patents that Cover the Licensed Antibody or a Licensed Product or Development, Manufacture or Commercialization of a Licensed Product, which Patents are Controlled by NovaRock or any of its Affiliates as of the Effective Date or thereafter during the Term, including without limitation the Existing Patents and NovaRock's rights in and to any Joint Patents. The NovaRock Patents as of the Effective Date include those set forth on **Schedule 1.84.** NovaRock may update **Schedule 1.84** from time to time to remove reference to expired Patents and to include reference to additional Patents.

1.85. "NovaRock CD137 Platform" means NovaRock's proprietary platform for generating Bispecific Antibodies that are Directed To CD137 and another Target, as further described on **Schedule 1.85.**

1.86. "Party(ies)" has the meaning set forth in the Preamble.

1.87. "Patents" means (a) patents and patent applications (provisional and non-provisional) anywhere in the world, (b) all divisionals, continuations, continuations-in-part thereof, or any other patent application claiming priority, or entitled to claim priority to (i) any such patents or patent applications or (ii) any patent or patent application from which such patents or patent applications claim, or are entitled to claim priority, (c) all patents issuing on any of the foregoing anywhere in the world, together with all registrations, reissues, substitutions, re-examinations, patents of addition, renewals, patent term extensions, supplementary protection certificates, or extensions of any of the foregoing anywhere in the world, and (d) all foreign counterparts or equivalents of any of the foregoing.

1.88. "Payments" has the meaning set forth in Section 5.9.1.

1.89. "Payee Party" has the meaning set forth in Section 5.9.1.

1.90. "Payor Party" has the meaning set forth in Section 5.9.1.

1.91. "Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

1.92. "Phase I Clinical Trial" means for the purpose of obtaining Regulatory Approval a study in humans, sponsored by Flame or an Affiliate or Sublicensee the purpose of which is preliminary determination of safety of a Licensed Product in healthy individuals or patients, as described in 21 C.F.R. §312.21(a), or similar clinical study in a country other than the U.S.

1.93. "Phase II Clinical Trial" means for the purpose of obtaining Regulatory Approval a study in humans, sponsored by Flame or an Affiliate or Sublicensee the purpose of which is preliminary determination of safety of a Licensed Product in healthy individuals or patients, as described in 21 C.F.R. §312.21(b), or similar clinical study in a country other than the U.S.

1.94. "Phase III Clinical Trial" means a controlled study in humans, sponsored by Company or an Affiliate or a Sublicensee, of the efficacy and safety of a Licensed Product that is prospectively designed to demonstrate statistically whether such Licensed Product is effective and safe for use in a particular indication in a manner sufficient to obtain Regulatory Approval to market such Licensed Product, as described in 21 C.F.R. §312.21(c) , or similar clinical study in a country other than the U.S.

1.95. "Pricing and Reimbursement Approval" shall mean, with respect to any country or jurisdiction in the Territory in which Governmental Authorities determine the pricing at which a Licensed Product will be reimbursed, the approval, agreement, determination or decision by the applicable Governmental Authorities establishing the pricing and reimbursement status for such Licensed Product.

1.96. "Prior CDA" has the meaning set forth in Section 12.15.

1.97. "Prosecution" means the filing, preparation, prosecution (including any interferences, reissue proceedings, reexaminations, oppositions, post-grant proceedings and similar proceedings), and maintenance of Patents, including obtaining patent term extensions, regulatory exclusivity, supplemental protection certificates, or their equivalents with respect thereto. When used as a verb, **"Prosecute"** means to engage in Prosecution.

1.98. "Quality Agreement" has the meaning set forth in Section 4.4.
1.99. "Receiving Party" has the meaning set forth in Section 8.1.

1.100. "Regulatory Approvals" means, with respect to a product and in a given regulatory jurisdiction, any and all approvals, clearances, exemptions, product or establishment licenses, registrations or authorizations of the applicable Regulatory Authority, necessary for the Development, Manufacture, Commercialization or other exploitation of such product in such

regulatory jurisdiction, including any INDs, and Marketing Approvals and Pricing and Reimbursement Approvals.

1.101. "Regulatory Authority" means any national or supranational Governmental Authority, including the FDA in the U.S., the EMA in the EU and the MHLW in Japan, or any health regulatory authority in any country or region that is a counterpart to the foregoing agencies, in each case, that holds responsibility for research, Development (including the conduct of Clinical Trials), Manufacture or Commercialization of, and the granting of Regulatory Approval for, a product, as applicable, in such country or region.

1.102. "Regulatory Filings" means any and all regulatory applications, filings, approvals, licenses, registrations, submissions, authorizations and associated correspondence made to or received from a Regulatory Authority in a jurisdiction, required to seek or support Regulatory Approvals in such jurisdiction, including, as applicable, any submission of IND documents, BLAs and other applications for Marketing Approvals.

1.103. "Rejected Antibody" has the meaning set forth in Section 3.2.3.

1.104. "Rejected Antibody Product" has the meaning set forth in Section 3.2.3.

1.105. "Rejected Target" has the meaning set forth in Section 3.2.3.

1.106. "Replacement Notice" has the meaning set forth in Section 3.2.3.

1.107. "Required Third Party License" has the meaning set forth in Section 5.5.3.

1.108. "Research Activities" has the meaning set forth in Section 3.4.

1.109. "Research Program" means Research Program 1 or Research Program 2.

1.110. "Research Program 1" means the activities to be performed by NovaRock to further characterize and Develop NBL-016 necessary to enable 1ND filing in the Field in the Territory for a Licensed Product comprising or containing NBL-016.

1.111. "Research Program 2" means the activities to be performed by NovaRock to identify, characterize and Develop an Additional Bispecific Antibody necessary to enable IND filing in the Field in the Territory for an Additional Product.

1.112. "Research Term" means, a Research Program-by-Research Program basis, the period beginning on the Effective Date and ending on the earlier to occur of (a) the date on which the first ND application for a Licensed Product under such Research Program is filed; or (b) the third (3^{1d}) anniversary of the Effective Date (or such later date as the Parties may mutually agree).

1.113. "Royalty Term" means, with respect to a given Licensed Product in a given country in the Territory, [***].

1.114. "Segregate" means, with respect to a Competing Product, to use reasonable efforts to segregate the research, development, manufacturing and commercialization activities relating to such Competing Product, from research, development and commercialization activities with

respect to the applicable Licensed Product or Additional Product under this Agreement, including ensuring that: (a) no personnel involved in performing the research, development or commercialization, as applicable, of such Competing Product, have access to non-public plans or non-public information relating to the research, development or commercialization of such Licensed Product or Additional Product; and (b) no personnel involved in performing the research, development or commercialization of the Licensed Product or Additional Product, as applicable have access to non-public plans or information relating to the research, development or commercialization of such Competing Product; provided, that, in either case of (a) or (b), senior management personnel may review and evaluate plans and information regarding the research, development and commercialization of such Competing Products, solely in connection with portfolio decision-making among product opportunities.

1.115. "Selection Notice" has the meaning set forth in Section 3.2.2.

1.116. "Selected Target" means, with respect to Research Program 2, one (1) Target, which is (a) selected by Flame, or (b) a replacement selected by Flame for such initial Selected Target, in each case ((a) or (b)), which Target is selected in accordance with Section 3.2, subject to gatekeeping process as provided therein.

1.117. "Selection Term" has the meaning set forth in Section 3.2.1.

1.118. "Sublicensee" shall mean any Third Party that has been granted a sublicense under the NovaRock Licensed Technology to Develop, sell, market, distribute, promote or otherwise Commercialize a Licensed Product in the Territory pursuant to Section 2.2.

1.119. "Target" means a distinctive biological or biologically derived target (e.g., a protein, carbohydrate, or polynucleotide (or portion thereof)) that is pharmaceutically relevant as a candidate or validated antigen.

1.120. "Term" has the meaning set forth in Section 10.1.

1.121. "Territory" means [***].

1.122. "Third Party" means any Person other than the Parties or their respective Affiliates.

1.123. [***].

1.124. "Unavailability Notice" has the meaning set forth in Section 3.2.2.

1.125. "United States" or "U.S." means the United States of America and its territories and possessions (including the District of Columbia and Puerto Rico).

1.126. "Valid Claim" means a claim Covering the composition of matter, formulation, purification, Manufacture or therapeutic use of a Licensed Product alone or in combination with another therapeutically active ingredient of any (a) issued, unexpired patent that has not been revoked or held unenforceable or invalid by a decision of a court or governmental agency of competent jurisdiction from which no appeal can be taken, or with respect to which an appeal is not taken within the time allowed for appeal, and that has not been disclaimed or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise; or (b) a pending patent application that is being prosecuted in good faith and that has not been (i) cancelled, withdrawn or abandoned or finally rejected by Governmental Authority action from which no appeal can be taken, or (ii) pending for more than [***] (after which pending claim will be considered expired for purposes of this Agreement) since such claim was first presented or is the result of amending another claim pending for more than [***] from the date to which such claim first claims priority, provided, that if any such pending claim with a pendency period of [***] or longer subsequently issues, it will be deemed a Valid Claim upon issuance.

ARTICLE 2.
LICENSES; PROPRIETARY RIGHTS

2.1. Grant of Licenses. Subject to the terms and conditions of this Agreement, NovaRock hereby grants to Flame, and Flame hereby accepts, an exclusive, non-transferrable (except as set forth in Section 12.8), royalty-bearing license (or sublicense, as the case may be), with the right to grant sublicenses through multiple tiers in accordance with Section 2.2, under the NovaRock Licensed Technology solely to Develop, Manufacture, Commercialize, use, have used, import, export, offer for sale and sell Licensed Products in the Field in the Territory.

2.2. Sublicense Rights. The right of Flame to grant sublicenses under Section 2.1 is subject to the requirement that each such sublicense shall be in writing, shall be consistent with the terms of this Agreement and shall include provisions (a) acknowledging that such sublicense is subject to terms corresponding to the applicable terms of this Agreement, and (b) requiring each Sublicensee to make reports and keep and maintain records of sales to the extent required under this Agreement, including in accordance with Section 4.6 and Section 5.10. Flame shall at all times remain responsible for the performance of any of its Sublicensees hereunder. In the event that Flame (including any of its Affiliates or Sublicensees) grants a sublicense to a Third Party Sublicensee, [***]; provided that such redactions shall not prevent NovaRock from determining the amounts due pursuant to this Agreement in respect of such sublicense. The right of Flame to grant sublicenses under Section 2.1 to Affiliates is subject to the requirement that each such sublicense shall require such Affiliate to make reports and keep and maintain records of sales to at least the same extent as required under this Agreement.

2.3. Product Marking. Flame shall mark or have marked all containers or packages of Licensed Products that are the subject of the licenses granted under this Section 2.1 in accordance with all Applicable Law to the extent practicable, including the patent marking laws, of the jurisdiction in which such Licensed Products are Manufactured or Commercialized.

2.4. Delivery of NovaRock Licensed Technology. [***], NovaRock shall furnish to Flame a data and information package for the Licensed Antibody, including all NovaRock Licensed Technology existing as of the Effective Date, including, but not limited to, the NovaRock Licensed Technology as listed in **Schedule 2.4.** Without limiting the foregoing, NovaRock shall provide Flame [***]. Thereafter, [***], NovaRock shall provide Flame with any additional data, information, technology and intellectual property that are included in the NovaRock Licensed Technology on an ongoing basis as such data, information, technology and intellectual property are generated, acquired or Developed by or on behalf of NovaRock. Upon Flame's request, NovaRock agrees to provide reasonable support and assistance with respect to implementing or understanding any materials within the Licensed Know-How.

2.5. No Other Rights; Retained Rights. Except for the rights and licenses expressly granted in Section 2.1, NovaRock retains all rights under its Know-How, Patents and other intellectual property rights, and no additional rights, title or interest in and to any Know-How, Patents or other intellectual property rights of NovaRock shall be deemed granted to Flame by implication, estoppel or otherwise. Without limiting the foregoing, notwithstanding the exclusive license granted to Flame pursuant to Section 2.1, NovaRock retains the right to practice the NovaRock Licensed Technology [***]; and (c) to fulfill its obligations under this Agreement.

2.6. Field and Territory Restrictions.

2.6.1. During the Term, [***].

2.6.2. During the Term, (a) other than to conduct Research Activities required by this Agreement, NovaRock shall not [***].

ARTICLE 3.
RESEARCH COLLABORATION

3.1. General. NovaRock shall conduct the Research Programs in accordance with the applicable Research Plans that are approved by the JRC in accordance with Section 3.3. The Parties acknowledge that Research Program 2 could result in the identification of multiple Additional Bispecific Antibodies. In no event shall [***].

3.2. Research Program 2 Target Selection and Replacement.

3.2.1. Selection. For the period beginning on the Effective Date and ending on the first (1') anniversary of the Effective Date **("Selection Term"),** Flame shall have the right to select one (1) Target To which the Additional Bispecific Antibody for Research Program 2 would be Directed, subject to gatekeeping process in accordance with Section 3.2.2.

3.2.2. Gatekeeping. [***]**.** NovaRock will notify Flame of the Gatekeeper and its contact information promptly following the Effective Date; provided that NovaRock may designate a replacement Gatekeeper, or update its contact information, at any time during the Selection Term by delivery of written notice to Flame. Flame may designate any Target (other than the Excluded Targets) as the Selected Target during the Selection Term (or, during the Research Term for Research Program 2, as a replacement Selected Target pursuant to Section 3.2.3) by providing the Gatekeeper with written notice of such Target (each, a **"Selection Notice");** provided that NovaRock is not, as of the date that the applicable the Gatekeeper receives Flame's Designation Notice for such Target:

(i) contractually obligated to grant, in each case pursuant to a written agreement with such Third Party, to a Third Party rights with respect to products comprising or containing a Bispecific Antibody Directed To CD137 and such Target; or

(ii) actively and in good faith engaged in negotiations with a Third Party regarding the development or commercialization of products incorporating Bispecific Antibodies Directed To CD137 and such Target (as evidenced by an executed term sheet, letter of intent or similar document setting forth the material terms of such negotiations, which term sheet, letter or document shall be provided to external legal counsel designated by Flame for review; provided that such external counsel shall be subject to customary confidentiality obligations and shall not disclose the terms of any such term sheet, letter or document to Flame, any of its Affiliates, except solely to verify the existence of such negotiations).

If (i) or (ii) above is true with respect to a Target that is the subject of a Selection Notice from Flame, the Gatekeeper will provide Flame with written notice that such Target is unavailable [***] after receipt of such Selection Notice (an **"Unavailability Notice").** If the Gatekeeper does not provide an Unavailability Notice within [***], such designated Target shall be deemed to be available and shall automatically become the Selected Target. If the Gatekeeper provides an Unavailability Notice within such [***] with respect to a designated Target, Flame may select a different Target as the Selected Target, subject to the process set forth in this Section 3.2.2.

3.2.3. Replacement Selected Target. During the Research Term for Research Program 2, [***], Flame shall have the right to swap a Selected Target for a replacement Target, which right shall be exercisable two (2) times by submitting written notice nominating a replacement Target (a **"Replacement Notice")** to the Gatekeeper with respect to such Target in accordance with Section 3.2.2. If Flame does not receive an Unavailability Notice with respect to the proposed replacement Target [***], it shall become the Selected Target, and the Target that was replaced shall cease to be a Selected Target. For clarity, following the replacement of the Selected Target pursuant to this Section 3.2.3 (such replaced Selected Target, thereafter a **"Rejected Target"),** any Additional Bispecific Antibody (a **"Rejected Antibody")** or Additional Product (a **"Rejected Antibody Product")** Developed under Research Program 2 with respect to such Rejected Target shall thereafter cease to be Additional Bispecific Antibodies or Additional Products, as applicable, and Flame shall have no further rights or interest in any Know-How that is conceived, generated or otherwise Developed by NovaRock in the course of performing Research Program 2 solely related to such Rejected Antibody or Rejected Antibody Product, including any Patents or other intellectual property rights therein.

3.3. Research Plans. The Parties, through the JRC, shall develop and approve a written Development plan and budget for each Research Program in accordance with Section 3.5 (each, a **"Research Plan").**

3.4. NovaRock Obligations. For Research Program 2, during the applicable Research Term, NovaRock shall use Commercially Reasonable Efforts to characterize and identify at least one (1) Additional Bispecific Antibody Directed To the applicable Selected Target in accordance

with the Research Plan for such Research Program. On a Research Program-by-Research Program basis, NovaRock [***] **("Research Activities");** (b) shall perform the Research Activities in compliance with all Applicable Law; and (c) may utilize the services of its Affiliates and Third Parties to perform those Research Activities assigned to it under the Research Plan; provided that NovaRock shall remain responsible for the performance of such Affiliates and Third Parties hereunder. [***].

3.5. Joint Research Committee.

3.5.1. Membership. [***], the Parties shall establish a joint research committee **("JRC")** to prepare the Research Plan for each Research Program and to coordinate and monitor the implementation of such Research Plan in accordance with the development budget set forth therein. Each Party shall designate two (2) representatives to serve as its JRC members. Each Party may replace any or all of its representatives on the JRC at any time upon written notice to the other Party. Such representatives shall be employees of the Parties who have the relevant experience and expertise to complete the activities assigned to the JRC.

3.5.2. Meetings and Decisions. [***], the JRC shall meet as frequently as the Parties deem appropriate but in any event not less than [***]. Definitive minutes of all JRC meetings shall be finalized [***] of the meeting to which the minutes pertain. Decisions of the JRC shall be made by consensus, with each Party having one (1) vote in all decisions provided that, subject to Section 3.5.3, Flame shall have the deciding vote in the event that the Parties fail to reach consensus regarding an issue related to clinical Development plans and/or the budgets for the Research Plans, and NovaRock shall have the deciding vote in the absence of consensus regarding any remaining issues relating to research and/or preclinical Development activities under the Research Plans; provided that NovaRock shall consider in good faith Flame's input with respect to such activities.

3.5.3. Responsibilities. During the Research Term for a given Research Program, the JRC shall perform the following functions for such Research Program: (a) draft and approve the Research Plan [***] for such Research Program; (b) draft and approve any amendments to such Research Plan; (c) coordinate and monitor IND strategy for any Licensed Product or Additional Products Developed under such Research Program; (d) review the development reports for such Research Program submitted pursuant to Section 3.7; and (e) such other responsibilities as may be assigned to the JRC pursuant to the Agreement or as may be mutually agreed upon by the Parties. For the avoidance of doubt, the JRC shall not have the authority to: (i) make any decision that this Agreement provides is to be made by the Parties; (ii) [***]; (iii) [***]; (iv) make any determination regarding ownership of any Patents or Know-How or (v) amend, interpret, modify or waive the terms of, or determine a Party's breach or satisfaction of its obligations under, this Agreement.

3.6. Development Funding for Research Programs. [***].

3.7. Research Program Reports. On a Research Program-by-Research Program basis, [***] during the applicable Research Term, NovaRock will submit a written [***]to Flame covering the Research Activities conducted by or on behalf of NovaRock or any of its Affiliates or Third Parties, with respect to each Research Program [***]. Each such report will include information sufficient to enable Flame to ascertain progress by NovaRock toward completing the Research Activities, including, where relevant, [***]. Without limiting the foregoing, upon completion of the Research Term for each of Research Program, NovaRock shall furnish to Flame a data and information package for such Research Program in a form mutually agreed by the Parties, [***].

3.8. Research Books and Records; Audit. NovaRock shall maintain complete and accurate records related to the Research Activities performed by NovaRock under a Research Program in accordance with this ARTICLE 3[***]. All such books, records, and accounts shall be retained by NovaRock until the later of: [***]. Upon Flame's request, NovaRock shall provide copies of such records or such records shall be made available for Flame's reasonable review, audit and inspection upon reasonable notice and with reasonable frequency. Audits and inspections may be conducted by Flame's own personnel or retained consultant(s), subject to the confidentiality obligations set forth in this Agreement. [***]

3.9. Option for Additional Bispecific Antibodies. For Research Program 2, [***], Flame may elect to license the Additional Bispecific Antibodies by providing written notice to NovaRock of such election. Upon such election, the Additional Bispecific Antibody shall be automatically deemed a Licensed Antibody hereunder and any Additional Products shall be considered Licensed Products hereunder.

3.10. Exclusivity. [***]

3.11. Acquisition of Competing Programs. Notwithstanding Section 3.10, i£

(a) [***]; or

(b) [***].

ARTICLE 4.
DEVELOPMENT; MANUFACTURE; COMMERCIALIZATION

4.1. Development. Flame shall have the exclusive right (directly or indirectly through its Affiliates, Sublicensees or Third Party subcontractors) to Develop Licensed Products (including obtaining and maintaining Regulatory Approvals) in the Field in the Territory. As between the Parties, [***].

4.2. Development Reports.[***], Flame will submit a written annual report to NovaRock covering the Development activities conducted by or on behalf of Flame or any of its Affiliates, with respect

to any Licensed Product(s) [***]. Each such report will include information sufficient to enable NovaRock to ascertain progress by Flame toward meeting this Agreement's diligence requirements, including, where relevant, [***]; and (g) [***].

4.3. Regulatory Filings; Approvals; Right of Reference. As between the Parties, Flame shall be [***], in its discretion, for taking all actions and conducting all communications with each appropriate Regulatory Authority required by Applicable Law in respect of each Regulatory Filing in support of obtaining Regulatory Approval for Licensed Products in the Field in the Territory, and all Regulatory Approvals obtained, for the Licensed Products for any indication in in the Field in the Territory, including preparing and filing all reports (including adverse drug experience reports), amendments, supplements and other documents with such Regulatory Authority(ies) with respect to or as part of any BLA filing. As between the Parties, Flame shall be solely responsible for all adverse event reporting, including any aggregate and individual case safety reports with respect to all Licensed Products for all indications in the Field in the Territory. Flame shall perform or shall use Commercially Reasonable Efforts to require that its Third Party subcontractors perform, any such regulatory activities in good scientific manner and in compliance with Applicable Law. Upon Flame's request, NovaRock shall provide copies of all Regulatory Filings and drug master files for the Licensed Products in the Field existing as of the Effective Date, filed or created by or on behalf of NovaRock during the Term, or that is otherwise owned or controlled by NovaRock during the Term. Each Party shall have the right of cross-reference to the other Party's Regulatory Filings to the extent necessary or reasonably necessary to obtain Regulatory Approval for any Licensed Product in such Party's respective territory. Each Party hereby grants to the other Party a right of reference to the Regulatory Filings and drug master files for the Licensed Products owned or controlled by such other Party as reasonably necessary to support (a) with respect to Flame, Flame's Regulatory Filings and other regulatory activities with respect to the Licensed Products in the Field in the Territory hereunder and (b) with respect to NovaRock, NovaRock's Regulatory Filings and other regulatory activities with respect to the Licensed Products outside the Territory. Each Party shall file any cross-reference letter, notices or authorizations with Regulatory Authorities that are necessary to effect the foregoing rights of reference, at the request and expense of the other Party.

4.4. Supply of Licensed Product. As between the Parties, Flame [***]. Flame shall be responsible for [***]. Notwithstanding the foregoing, NovaRock shall, at Flame's request, [***]

pursuant to which NovaRock shall supply to Flame, directly or through a Third Party, NBL-015 and NBL-016.

4.5. Commercialization of Licensed Product in Territory. Flame shall have the exclusive right to implement (directly or indirectly through its Affiliates, Sublicensees or Third Party subcontractors), and final decision-making authority with respect to, Commercialization of Licensed Products in the Field in the Territory. As between the Parties, Flame [***]. After Flame's receipt of Marketing Approval for a Licensed Product in a given country in the Territory, Flame shall use Commercially Reasonable Efforts in connection with Commercialization of such Licensed Product in such country, and shall conduct Commercialization activities in compliance with Applicable Law and use Commercially Reasonable Efforts to require that its Third Party subcontractors conduct any such Manufacturing and Commercialization activities in compliance with Applicable Law.

4.6. Commercialization Reports. With [***], Flame will submit a written annual report to NovaRock covering the status, material progress and results of Flame's efforts with respect to Commercialization of Licensed Products in the Field in the Territory, including [***]. Such reports shall be made in a mutually agreeable format and such reporting obligation may be satisfied by Flame's submission of a royalty report in accordance with Section 5.6.

4.7. Subcontracting and Performance by Affiliates.

4.7.1. Flame may use Third Party subcontractors to exercise its rights or perform any of its obligations under this Agreement without obtaining NovaRock's prior written consent solely i£ (a) such subcontractor is required to comply with Applicable Law for the performance of the subcontracted Flame obligations; and (b) any agreement entered into by Flame with such subcontractor shall, at a minimum, provide for ownership and allocation of intellectual property rights, obligations of confidentiality and non-use of information, record-keeping, and access and rights to data that are consistent with the intent and terms of this Agreement. If the requirements of clauses (a) — (b) are not met, then Flame may subcontract solely by obtaining NovaRock's prior written consent (which consent shall not be unreasonably withheld, delayed or conditioned). Notwithstanding any delegation of obligations under this Agreement, Flame shall remain primarily liable and responsible for the performance of all of its obligations hereunder.

4.7.2. Each Party may exercise its rights and perform its obligations under this Agreement either directly or through one or more of its Affiliates without prior written consent of the other Party; provided, however, that in any event each Party will remain primarily liable and responsible for the performance of all of its obligations hereunder. Accordingly, each Party acknowledges and agrees that a breach by any of its Affiliates under this Agreement shall be treated as a breach by such Party, and, in that circumstance, such Party expressly waives any

requirement that the other Party exhaust any right, power or remedy, or proceed directly against such Party's breaching Affiliate, for any obligation or performance under this Agreement.

4.8. Standards of Conduct. Flame shall perform, or shall ensure that its Affiliates, Sublicensees and Third Party subcontractors perform, all Development, Manufacturing and Commercialization activities regarding the Licensed Products in the Field in the Territory in a good scientific and ethical business manner and in compliance with the Applicable Law and the terms of this Agreement. NovaRock shall perform, or shall ensure that its Affiliates and Third Party subcontractors perform, all Development and Manufacturing activities hereunder in a good scientific and ethical business manner and in compliance with the Applicable Law and the terms of this Agreement.

ARTICLE 5.
FINANCIAL TERMS

5.1. Upfront Payment. [***].

5.2. Development Milestones Payments. [***].

Development Milestone	Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

[***].

5.3. Commercial Milestone Payments. [***]

Milestone Event	Milestone Payment
[***]	[***]

[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

For clarity, [***].

5.4. Royalties. During the Royalty Term, on a Licensed Product-by-Licensed Product and country-by-country basis, Flame [***].

5.5. Royalty Reductions; Royalty Reports.

5.5.1. The royalty amounts payable with respect to Net Sales shall be [***].

5.5.2. If, [***]. Market share shall be based on the aggregate market in such country of such Licensed Product and the Biosimilar Product(s) based on the number of units of such Licensed Product and such Biosimilar Product(s) in the aggregate sold in such country, as reported by a well-known reporting service agreed between the Parties acting reasonably (e.g., IQVIA).

5.5.3. If Flame elects to enter into an agreement with a Third Party to obtain any license for Patents or Know-How that is owned or otherwise controlled by such Third Party and that is necessary to Develop, Manufacture or Commercialize a Licensed Product in the Field in the Territory (each such license, a **"Required Third Party License")** and [***].

5.5.4. Notwithstanding the foregoing, in the event that the reductions in two (2) or more of the foregoing provisions of this Section 5.5 apply with respect to a Licensed Product in a given country [***], then the [***] (without giving effect to any such reductions applicable pursuant to this Section 5.5).

5.6. Within [***], such report shall be provided [***], Flame shall provide NovaRock with a report in a form reasonably acceptable to NovaRock containing the following information for the applicable [***]. Thereafter, NovaRock shall submit to Flame an invoice for the corresponding royalty payment, and

Flame's receipt of any such invoice, Flame shall [***].

5.7. Payments Under Agreements. NovaRock shall [***]for the Development or Commercialization of the Licensed Products.

5.8. Payments. All payments due under this Agreement to a Party will be made by bank wire transfer in immediately available funds to an account designated by such Party. All payments will be made in U.S. dollars. In each country in the Territory where Net Sales have occurred in a currency other than U.S. dollars, such Net Sales will be converted to U.S. dollars at the end of the applicable Calendar Quarter. The rate of exchange to be used in computing the amount of currency equivalent in U.S. dollars owed to NovaRock under this Agreement will be made using the applicable currency conversion rate as published in The Wall Street Journal, Eastern Edition, (a) for sales, on the last Business Day of the applicable Calendar Quarter for the Calendar Quarter in which the relevant sales were made; or (b) for calculations of all other payments payable under this Agreement, on the day the payment obligation accrued. In the event that the "applicable currency conversion rate" set forth in The Wall Street Journal, Eastern Edition, is discontinued or no longer available, then the Parties shall mutually agree upon an alternate currency conversion index to be used. If at any time legal restrictions within any country in the Territory prevent the conversion of the local currency and such currency cannot be removed from such country such that prompt remittance by Flame of any royalties owed in respect of sales in such country is prevented, Flame shall make payment through any lawful means or methods that may be available as Flame shall reasonably determine. If royalties in any country in the Territory cannot be remitted [***], then Flame shall pay NovaRock in the local currency of such country by deposit of the relevant royalties in a bank account in such country designated by NovaRock.

5.9. Taxes.

5.9.1. The payments hereunder by a Party (the **"Payor Party")** to the other Party (the **"Payee Party"),** [***], pursuant to this Agreement **("Payments")** shall [***]. If Applicable Law requires that taxes be withheld for payments under Article 4, the Payor Party may: (a) deduct those taxes from the remittable payment; and (b) pay the taxes to the proper taxing authority. Notwithstanding the foregoing, if the Payee Party is entitled (whether under any applicable tax treaty or otherwise under Applicable Law) to a reduction in the rate of, or the elimination of, withholding tax, it may deliver to the Payor Party or the appropriate taxing authority (with the assistance of the Commercially Reasonable Efforts of Payor Party and is expressly requested in writing) the prescribed forms necessary to reduce the applicable rate of withholding or to relieve the Payor Party of its obligation to withhold tax, and the Payor Party shall apply the reduced rate of withholding, or dispense with withholding, as the case may be. If, in accordance with the foregoing, the Payor Party withholds any tax, the Payor Party shall send evidence of the obligation, together with proof of tax payment, to the Payee Party [***] following that tax payment to enable the Payee Party to support a claim (if permissible) for

income tax credit in respect of any amount so withheld. The Payor Party shall cooperate with the Payee Party in claiming refunds of, reductions in or exemptions from such deductions or withholdings under any relevant agreement or treaty which is in effect to ensure that any amounts required to be withheld pursuant to this Section 5.9.1 are reduced in amount to the fullest extent permitted by Applicable Law. If the Payor Party intends to withhold tax from any Payment, the Payor Party shall inform the Payee Party reasonably in advance of making such Payment to permit the Payee Party an opportunity to provide any forms or information or obtain any taxing authority approval as may be available to reduce or eliminate such withholding.

5.9.2. All Payments are exclusive of indirect taxes (such as value added tax, sales tax, consumption tax and other similar taxes **("Indirect** Taxes")). If any Indirect Taxes are chargeable in respect of any Payments, Flame shall pay such Indirect Taxes at the applicable rate in respect of any such Payments following the receipt, where applicable, of an Indirect Taxes invoice issued by NovaRock in respect of those Payments, such Indirect Taxes to be payable on the due date of the payment of the Payments to which such Indirect Taxes relate or at the time such Indirect Taxes are required to be collected by NovaRock, in the case of payment of Indirect Taxes to NovaRock. The Parties shall issue invoices for all goods and services supplied under this Agreement consistent with Indirect Tax requirements, and to the extent any invoice is not initially issued in an appropriate form, Flame shall promptly inform NovaRock and shall cooperate with NovaRock to provide such information or assistance as may be necessary to enable the issuance of such invoice consistent with Indirect Tax requirements.

5.9.3. Upon NovaRock's request, Flame shall provide a properly completed and duly executed applicable Internal Revenue Service Form W-8 to NovaRock or any other withholding tax form required in the Payor Party or Payee Party jurisdiction with respect to payments made hereunder. Each Party and any other recipient of payments under this Agreement shall provide to the other Party, at the time or times reasonably requested by such other Parties or as required by Applicable Law, such properly completed and duly executed documentation (for example, IRS Forms W-8 or W-9) as will permit payments made under this Agreement to be made without, or at a reduced rate of, withholding for taxes.

5.9.4. Flame and NovaRock shall use Commercially Reasonable Efforts to reasonably cooperate with each other to minimize any adverse tax consequences with respect to payments made hereunder.

5.10. Books and Records; Audit.

5.10.1. Flame shall maintain, and shall require that its Affiliates and Sublicensees maintain, complete and accurate records in sufficient detail to permit NovaRock to confirm the accuracy of the calculation of royalties and milestones due under this Agreement, in each case, in a manner consistent with GAAP and this Agreement. All such books, records, and accounts shall be retained by Flame until the later of: [***]; and (b) the expiration of the applicable tax statute of limitations (or any extensions thereof), or for such longer period as may be required by Applicable Law. Flame shall require that its Affiliates and Sublicensees provide to Flame a report detailing the Net Sales (including expenses) and calculations incurred or made by such Sublicensee for Flame to include in its royalty report delivered in accordance with Section 5.6.

5.10.2. Upon reasonable prior notice, [***], such records of Flame and its Affiliates shall be available during Flame's and its Affiliates regular business hours for a period [***] to which they pertain for examination at the expense of NovaRock by an independent certified public accountant selected by NovaRock and reasonably acceptable to Flame, for the sole purpose of verifying the accuracy of the financial reports and correctness of the payments furnished by Flame pursuant to this Agreement. For each Sublicensee, Flame shall use reasonable efforts to obtain such audit rights for NovaRock or itself. If Flame obtains such audit rights for itself, it will promptly, as permitted by such Sublicensee, conduct an audit of the Sublicensee's records upon NovaRock's reasonable request and at NovaRock's cost, and Flame will furnish to NovaRock a copy of the findings from such audit, to the extent permitted by such Sublicensee. No more than one audit of Flame, each Affiliate, and each Sublicensee shall be conducted under this Section 5.10.2 in any Calendar Year (except for cause); and Flame's, its Affiliate's and its Sublicensee's records related to any given Calendar Year shall not be subject to audit pursuant to this Section 5.10.2 more than once (except for cause). Any such auditor shall not disclose Flame's or its Affiliate's Confidential Information, except to the extent such disclosure is necessary to verify the accuracy of the financial reports furnished by Flame or the amount of payments due by Flame under this Agreement. [***].

5.10.3. In the event of a dispute with respect to any audit under Section 5.10.1, the Parties shall work in good faith to resolve the disagreement. If the Parties are unable to reach a mutually acceptable resolution of any such dispute [***], the dispute shall be submitted for resolution to an independent certified public accounting firm jointly selected by each Party's certified public accountants or to such other independent Third Party as the Parties shall mutually agree and the decision of such independent Third Party selected in accordance with this Section 5.10.3 shall be final and the costs of such arbitration as well as the initial audit shall be borne between the Parties in such manner as such independent Third Party shall determine. Not later than [***] after such decision and in accordance with such decision, the Party that owes an amount to the other Party as determined in accordance with this Section 5.10.3, shall pay or reimburse the applicable amounts, in accordance with the last sentence of Section 5.10.1.

5.11. Late Payment. All payments due to a Party under this Agreement shall be made in U.S. Dollars by wire transfer of immediately available funds into an account designated by the receiving Party. If a Party does not receive payment of any sum due to it on or before the due date, simple interest shall thereafter accrue [***].

ARTICLE 6.
INTELLECTUAL PROPERTY

6.1. Ownership of IP.

6.1.1. Subject only to the rights expressly granted to the other Party under this Agreement, each Party shall retain all rights, title and interests in and to any Patents, Know-How or other intellectual property rights that are owned by, or licensed or sublicensed to, such Party prior to or independent of this Agreement. Without limiting the foregoing, title to the NovaRock Patents and the NovaRock Know-How shall at all times remain vested in NovaRock and subject to the rights and licenses granted to Flame as expressly set forth in this Agreement.

6.1.2. The inventorship of any inventions (whether or not patentable), that are conceived during the Term, in the course of activities conducted pursuant to this Agreement by, or on behalf of, a Party, any of its Affiliates, or any of its or their respective Sublicensees, in each case, will be determined in accordance with the principles under U.S. patent law where ownership of any such inventions shall follow inventorship; provided, however, that, as between the Parties, the Parties shall jointly own all Patents, Know-How or other intellectual property rights that are conceived, generated or otherwise developed in the course of performing Research Program 2 pursuant to ARTICLE 3 (such jointly owned Patents are the **"Joint Patents");** provided, further, notwithstanding the foregoing, with respect to Research Program 2, in the event that Flame elects to designate a replacement Selected Target pursuant to Section 3.2.3, NovaRock shall solely own all Patents, Know-How or other intellectual property rights that are conceived, generated or otherwise Developed by NovaRock in the course of performing Research Program 2 which solely relate to, claim or Cover any Rejected Target, Rejected Antibody or Rejected Antibody Product. The enforcement of NovaRock Patents by Flame shall not affect NovaRock's ownership rights therein or its ability to collect the royalties and milestones due under ARTICLE 5 for the applicable Licensed Products.

6.2. Patent Prosecution.

6.2.1. As between the Parties, Flame shall have the first right to file, prosecute, and maintain [***]: (a) the Licensed Product Patents in NovaRock's name, in each country in the Territory and (b) the Joint Patents in NovaRock's and Flame's names. At NovaRock's request, Flame shall promptly furnish to NovaRock copies of all patents, patent applications, substantive patent office actions, and substantive responses that it receives or files in connection with the Licensed Product Patents and Joint Patents. In the case of such patent applications and responses, copies will be furnished to NovaRock as soon as possible after Flame's receipt of the same; provided, that Flame shall use reasonable efforts to furnish such copies [***] before filing or mailing, as the case may be. NovaRock may itself or through its attorney offer comments and suggestions with respect to the matters that are the subject of this Section 6.2 and Flame shall consider in good faith NovaRock's reasonable comments and suggestions related thereto; provided that the comments and suggestions are received at least [***] prior to the unextended due date set by the examining authority for the response. However, nothing herein shall obligate Flame to adopt or follow such comments or suggestions. If necessary, NovaRock shall cooperate with Flame in the preparation, filing, prosecution and maintenance of any and all Licensed Product Patents and

Joint Patents that are the subject of this Section 6.2.1. Flame shall promptly provide notice to NovaRock as to all matters that come to its attention that may affect the preparation, filing, prosecution or maintenance of any Licensed Product Patents in the Territory or the Joint Patents. In the event that Flame elects not to file for patent protection, or elects not to prosecute or maintain a patent or patent application under, the Licensed Product Patents or Joint Patents described in this Section 6.2.1 in a particular country, Flame shall notify NovaRock of such decision as soon as possible [***] prior to the final deadline for any pending action or response that may be due with respect to such Licensed Product Patent or Joint Patent with the applicable patent authority. In the event NovaRock provides written notice expressing its interest in prosecuting and maintaining such patent or patent application, Flame shall cooperate with NovaRock to permit NovaRock to file, prosecute, and maintain such patent or patent application, [***]; provided that the provisions of the second, third and fourth sentences of this Section 6.2.1 shall apply to such prosecution efforts by NovaRock, with all references in such sentences to Flame being deemed references to NovaRock and all references in such sentences to NovaRock being deemed references to Flame.

6.2.2. As between the Parties, NovaRock shall have the first right to file, prosecute, and maintain at NovaRock's sole expense all NovaRock Patents that have a claim that Covers a Licensed Antibody or a Licensed Product, but which are not Licensed Product Patents **("Multi-Product Patents").** In the case of a patent application for a Multi-Product Patent that includes a claim under examination which Covers a Licensed Antibody or a Licensed Product, copies of substantive patent office actions will be furnished to Flame as soon as possible after NovaRock's receipt of the same; and NovaRock shall use reasonable efforts to furnish to Flame copies of responses [***]. Flame may itself or through its attorney offer comments and suggestions with respect to the matters that are the subject of this Section 6.2.2 and NovaRock shall consider in good faith Flame's reasonable comments and suggestions related thereto; provided that the comments and suggestions are received [***] to the unextended due date set by the examining authority for the response. However, nothing herein shall obligate NovaRock to adopt or follow such comments or suggestions. If necessary, Flame shall cooperate with NovaRock in the preparation, filing, prosecution and maintenance of any and all Multi-Product Patents that are the subject of this Section 6.2.2. NovaRock shall promptly provide notice to Flame as to all matters that come to its attention that may affect the preparation, filing, prosecution or maintenance of any Multi-Product Patents. In the event that NovaRock elects not to file for patent protection, or elects not to prosecute or maintain a patent or patent application under, the Multi-Product Patents described in this Section 6.2.2 in a particular country, NovaRock shall notify Flame of such decision [***] to the final deadline for any pending action or response that may be due with respect to such Multi-Product Patent with the applicable patent authority. In the event Flame provides written notice expressing its interest in prosecuting and maintaining such patent or patent application, NovaRock shall cooperate with Flame to permit Flame to file, prosecute, and maintain such patent or patent application, [***]; provided that the provisions of the second, third and fourth sentences of this Section 6.2.2 shall apply to such prosecution efforts by Flame, with all references in such sentences to Flame being deemed references to NovaRock and all references in such sentences to NovaRock being deemed references to Flame.

6.3. Enforcement of Patents.

6.3.1. Each Party shall give the other Party notice, promptly after becoming aware, of any infringement of NovaRock Patents where such infringement concerns the Development, Commercialization, manufacture, importation, use, offer for sale or sale of a Licensed Product in the Field in the Territory or any infringement of the Joint Patents (each, a "Licensed Product Infringement").

6.3.2. As between the Parties, (a) Flame shall have the first right (but not the obligation) to initiate and prosecute any legal action at its sole expense with respect to a Licensed Product Infringement for infringement of a Licensed Product Patent or Joint Patent, and to also control the defense of any declaratory judgment action relating to such Licensed Product Infringement; and (b) NovaRock shall have the first right (but not the obligation) to initiate and prosecute any legal action at its sole expense with respect to a Licensed product Infringement for infringement of a Multi-Product Patent, and to also control the defense of any declaratory judgment action relating to such Licensed Product Infringement (each such action under this Section 6.3.2, an "Enforcement Action").

6.3.3. For any Enforcement Action, the other Party will provide reasonable cooperation and will provide the controlling Party with any information or assistance that the controlling Party may reasonably request, at the expense of the controlling Party (including joining as a party plaintiff to the extent necessary to bring or maintain such action). The controlling Party shall keep the other Party informed of developments in any such action or proceeding as such may relate to Commercialization, including, to the extent permissible by Applicable Law, the status of any settlement negotiations.

6.3.4. If a Party provides notice of Licensed Product Infringement to the controlling Party who has the right to initiate and prosecute an Enforcement Action for such Licensed Product Infringement under Section 6.3.2, and the controlling Party elects not to commence an Enforcement Action [***], the other Party (as applicable) may thereafter bring suit against the Third Party infringer for such Licensed Product Infringement.

6.3.5. Any recovery obtained in connection with or as a result of any action to terminate any Licensed Product Infringement contemplated by this Section 6.3, whether by settlement or otherwise, shall be applied first in satisfaction of any costs and expenses incurred by the Parties in connection with the action. The balance, if any remaining after the Parties have been compensated for such costs and expenses shall be allocated between the Parties with any recovery of ordinary damages based upon Licensed Product Infringement (whether awarded on a lost sales or lost profits basis) shared in the ratio of 75:25, the controlling Party: the other Party, and any recovery of special or punitive damages shared equally by the Parties.

6.4. Defense of Infringement Actions; Third Party Licenses.

6.4.1. Each Party shall bring to the attention of the other Party, as soon as practicable and in no event in a timeframe that would be prejudicial to the matter, all information regarding potential infringement or misappropriation of Third Party Patent Rights or Know-How as a result of the Development, Manufacture, or Commercialization of Licensed Product in the Territory. The Parties shall discuss such information and decide how to handle such matter.

6.4.2. If any notice of infringement or misappropriation is received by, or a suit is initiated against, Flame or NovaRock by a Third Party concerning the Development, Manufacture or Commercialization of Licensed Product in the Territory, the Parties shall consult in good faith regarding the best response before either Party responds to the Third Party, provided that Flame shall have final decision making authority with respect to any action initiated against Flame. The Parties will share equally the out-of-pocket costs and expenses of matters arising pursuant to this Section 6.4.2, including but not limited to counsel fees, court costs and expert witness fees, provided that the allocation of costs in respect of a license shall be addressed pursuant to Section 6.4.3.

6.4.3. If, as a result of the discussion contemplated by Section 6.4.2, Flame elects to enter into a license then the amounts (if any) payable to a Third Party shall be addressed in accordance with Section 5.5.3.

6.4.4. If, as a result of the discussion contemplated by Section 6.4.2, Flame determines that it is appropriate to bring an opposition, action for declaratory judgment, nullity action, interference, declaration for non-infringement, re-examination or other attack upon the validity, title or enforceability of a patent owned or controlled by a Third Party based on its' potential adverse impact on the patent freedom-to-operate with respect to the Commercialization of a Licensed Product in the Field in the Territory, then Flame shall control such action and shall be responsible for the costs of such action. Flame shall keep NovaRock reasonable informed with respect to all such proceedings, including by providing NovaRock with copies of any substantive documents related to such proceedings and reasonable notice of all such proceedings in response to any action initiated against NovaRock. NovaRock may itself or through its counsel offer comments and suggestions with respect to the matters that are the subject of this Section 6.4.4 and Flame shall consider such comments and suggestions in good faith.

6.4.5. This Section 6.4 shall not be interpreted as placing on either Party a duty of inquiry regarding Third Party intellectual property rights.

ARTICLE 7.
REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1. Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party, as of the Effective Date, that:

7.1.1. It is duly organized, validly existing, and in good standing under Applicable Law of the jurisdiction of its organization, and has all requisite power and authority, corporate or otherwise, to execute, deliver, and perform this Agreement.

7.1.2. This Agreement is a legal and valid obligation binding upon such Party and enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, or other Applicable Law of general application affecting the enforcement of creditor rights, judicial principles affecting the availability of specific performance, and general principles of equity (whether enforceability is considered a proceeding at law or equity).

7.1.3. The execution, delivery, and performance of this Agreement by such Party has been duly authorized by all necessary corporate action and do not conflict with any agreement, instrument, or understanding, oral or written, to which it is a party or by which it is bound, or violate any Applicable Law or any order, writ, judgment, injunction, decree, determination, or award of any court or governmental body, or administrative or other agency presently in effect applicable to such Party.

7.1.4. It is not aware of any government authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, under any Applicable Law, currently in effect, necessary for, or in connection with, the transactions contemplated by this Agreement or any other agreement or instrument executed in connection herewith, or for the performance by it of its obligations under this Agreement and such other agreements.

7.1.5. Such Party is not under any obligation, contractual or otherwise, to any Person that conflicts with or is inconsistent in any material respect with the terms of this Agreement, or that would impede the diligent and complete fulfillment of its obligations hereunder.

7.2. Additional Representations, Warranties and Covenants of Flame.

7.2.1. Flame hereby represents and warrants to NovaRock, as of the Effective Date, that there is no pending litigation, or to the knowledge of Flame threatened litigation, that alleges that Flame has infringed or misappropriated any intellectual property rights of any Third Party in a manner that would adversely affect Flame's performance under this Agreement.

7.2.2. Neither Flame nor any of its Affiliates, or its or their Sublicensees, shall have rights under the NovaRock Technology to exploit in any manner any Licensed Product outside of the scope of the licenses expressly granted to Flame under this Agreement.

7.2.3. During the Term, Flame shall notify NovaRock immediately if it, its Affiliates, any of its or their Sublicensees, or any party acting on its or their behalf in connection with the Development, Manufacture or Commercialization of any Licensed Antibody or Licensed Product becomes debarred, receives notice of action for its debarment, is convicted of any crime or engaged in any conduct that could reasonably be expected to result in debarment or exclusion under 21 U.S.C. § 355a or any similar Applicable Law.

7.3. Representations, Warranties and Covenants of NovaRock.

7.3.1. NovaRock hereby represents and warrants to Flame, as of the Effective Date, that:

There is no pending litigation, or, to the actual knowledge of NovaRock, threatened litigation, that alleges that any Licensed Antibody or Licensed Product infringes, misappropriates, has infringed or misappropriated any intellectual property rights of any Third Party or otherwise alleges that NovaRock has infringed or misappropriated any intellectual property rights of any Third Party in a manner that would adversely affect NovaRock's performance under this Agreement;

(ii) Other than the NovaRock Licensed Technology licensed to Flame hereunder, NovaRock and its Affiliates do not Control any other Patent or Know-How that is necessary for the Development, Manufacture, use, import, offer for sale or sale of Licensed Products;

(iii) NovaRock is the sole owner of the entire right, title and interest in and to all patents and patent applications within the NovaRock Patents, including the Existing Patents,, free and clear from any mortgages, pledges, liens, security interests, conditional and installment sale agreements, encumbrances, charges or claims of any kind;

(iv) **Schedule 1.84** is an accurate listing by owner, inventor(s), serial number, filing date, country, and status of all NovaRock Patents as of the Effective Date;

(v) all applicable fees for the NovaRock Patents have been paid and all administrative procedures with Governmental Authorities have been completed for the NovaRock Patents such that the NovaRock Patents are subsisting and in good standing;

(vi) NovaRock and its Affiliates have not granted any rights or licenses under the NovaRock Patents or NovaRock Know-How to a Third Party that are in conflict or inconsistent with the exclusive license granted to Flame hereunder. Specifically, NovaRock represents and warrants that the rights in an antibody discovered by NovaRock against Claudinl 8.2, which is not NBL-015 or NBL-016, to an affiliate of [***] for antibody-drug conjugate development and commercialization does not conflict with the rights granted to Flame hereunder;

(vii) NovaRock and its Affiliates have complied with all Applicable Law in conducting the Development of the Licensed Products;

(viii) neither NovaRock, nor any of its Affiliates, officers or employees, has knowingly made a statement of a material fact, which is known to be untrue at the time of making such statement, to any Regulatory Authority with respect to the Licensed Products, or has knowingly failed to disclose a material fact, which is known to be material at the time, required to be disclosed to any Regulatory Authority with respect to the Licensed Products;

(ix) A Regulatory Authority has not, with respect to a Licensed Product, issued (a) a clinical hold or other order to NovaRock or its Affiliates to delay or suspend a proposed or ongoing clinical investigation; or (b) a recall, market withdrawal or other corrective action;

(x) NovaRock has the right to grant to Flame all of the licenses and other rights with respect to such NovaRock Licensed Technology granted to Flame under this Agreement;

(xi) NovaRock has provided to Flame a complete and accurate copy of the [***] Agreement and [***] Agreement, including all amendments thereto; and

(xii) Neither NovaRock, its Affiliates, or any party acting on its or their behalf in connection with the Development of any Licensed Antibody or Licensed

Product has been convicted of any crime or engaged in any conduct that could reasonably be expected to result in debarment or exclusion under 21 U.S.C. § 355a or any similar Applicable Law.

7.3.2. During the Term, NovaRock and its Affiliates shall not license, assign, transfer, pledge, or otherwise encumber any intellectual property owned or Controlled by NovaRock in a manner that would impair the right or ability for NovaRock to perform its obligations or Flame to exercise its rights hereunder.

7.3.3. During the Term, NovaRock shall notify Flame immediately if it, its Affiliates, or any party acting on its or their behalf in connection with the Development, Manufacture or Commercialization of any Licensed Antibody or Licensed Product becomes debarred, receives notice of action for its debarment, is convicted of any crime or engaged in any conduct that could reasonably be expected to result in debarment or exclusion under 21 U.S.C. § 355a or any similar Applicable Law.

7.4. No Other Representations or Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE 7, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ANY OTHER WARRANTIES, INCLUDING ANY EXPRESS OR IMPLIED WARRANTY OF QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTY OF NON-INFRINGEMENT OR AS TO THE VALIDITY OF ANY PATENTS.

ARTICLE 8.
CONFIDENTIALITY

8.1.Nondisclosure. Each Party agrees that, during the Term and for a period of [***], a Party (the **"Receiving Party")** receiving Confidential Information of the other Party (the **"Disclosing Party")** shall: (a) maintain in confidence such Confidential Information using not less than the efforts such Receiving Party uses to maintain in confidence its own confidential or proprietary infoiination of similar kind and value and, in any event, using reasonable efforts; (b) not disclose such Confidential Information to any Third Party without the prior written consent of the Disclosing Party, except for disclosures expressly permitted below; and (c) not use such Confidential Information for any purpose except as reasonably necessary to exercise its rights or fulfill its obligations under and in accordance with this Agreement (it being understood that this Section 8.1 shall not create or imply any rights or licenses not expressly granted under this Agreement). Notwithstanding anything to the contrary in this Agreement, the obligations of confidentiality and non-use with respect to any Confidential Information that constitutes a trade secret under Applicable Law shall survive for so long as such Confidential Information remains as a trade secret under Applicable Law.

8.2.Exceptions. The obligations in Section 8.1 shall not apply with respect to any portion of the Confidential Information to the extent that the Receiving Party can show by competent evidence that:

8.2.1. is publicly disclosed by the Disclosing Party, either before or after it is disclosed to the Receiving Party hereunder;

8.2.2. is known to the Receiving Party or any of its Affiliates, without any obligation to keep it confidential or any restriction on its use, prior to disclosure by the Disclosing Party;

8.2.3. is subsequently disclosed to the Receiving Party or any of its Affiliates on a non-confidential basis by a Third Party that, to the Receiving Party's knowledge, is not bound by a similar duty of confidentiality or restriction on its use;

8.2.4. is now, or hereafter becomes, through no act or failure to act on the part of the Receiving Party or any of its Affiliates, generally known or available, either before or after it is disclosed to the Receiving Party;

8.2.5. is independently discovered or developed by or on behalf of the Receiving Party or any of its Affiliates without reference to or use of Confidential Information belonging to the Disclosing Party; or

8.2.6. is the subject of written permission to disclose provided by the Disclosing Party.

8.3. Authorized Disclosure. The Receiving Party may disclose Confidential Information belonging to the Disclosing Party, provided that any such disclosure shall be made only to the extent such disclosure is reasonably necessary to exercise its rights or fulfill its obligations hereunder, and in the following instances:

8.3.1. preparing and submitting Regulatory Filings and obtaining and maintaining Regulatory Approvals for Licensed Products as contemplated by this Agreement;

8.3.2. prosecuting or defending litigation, including responding to a subpoena in a Third Party litigation;

8.3.3. complying with Applicable Law or court or administrative orders, including, subject to Section 8.3.7, disclosures required in connection with securities filings;

8.3.4. in communications with existing or bona fide prospective and actual acquirers, merger partners, lenders or investors, partners and advisors of the Receiving Party in connection with transactions or bona fide prospective transactions with the foregoing, in each case on a "need-to-know" basis and under appropriate confidentiality provisions substantially similar to those of this Agreement; and

8.3.5. to its Affiliates, employees, consultants, agents and advisors on a "need-to-know" basis in order for the Receiving Party to exercise its rights or fulfil its obligations under this Agreement, each of whom prior to disclosure must be bound by obligations of confidentiality and restrictions on use of such Confidential Information that are substantially similar to those set forth in this Article 8; provided, however, that, the Receiving Party shall remain responsible for any failure by any Person who receives Confidential Information pursuant

to Section 8.3.4 or this Section 8.3.5 to treat such Confidential Information as required under this Article 8.

8.3.6. If and whenever any Confidential Information is disclosed in accordance with this Section 8.3, such disclosure shall not cause any such information to cease to be Confidential Information except to the extent that such disclosure results in a public disclosure of such information (other than by breach of this Agreement). Notwithstanding the foregoing, in the event a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Section 8.3.3, as applicable, it will, except where impracticable or prohibited by Applicable Law, give reasonable advance notice to the other Party of such disclosure and use not less than the same efforts to secure confidential treatment of such information as it would to protect its own confidential information from disclosure. Each Receiving Party shall notify the Disclosing Party promptly on discovery of any unauthorized use or disclosure of the Disclosing Party's Confidential Information by the Receiving Party or any of its Affiliates, agents or representatives.

8.3.7. If a Party is required by Applicable Law to make a securities filing relating to the execution of this Agreement with the appropriate governmental authorities (including the U.S. Securities and Exchange Commission, and any securities exchange on which securities of such Party are listed), then the Party under such requirement shall prepare a draft of such securities filing for review and comment by the other Party. If such securities filing includes the disclosure of this Agreement and its terms, the Party under such disclosure obligation shall include a confidential treatment request and a proposed redacted version of this Agreement as part of such draft. Such draft securities filing will, where practicable, be provided to the other Party reasonably in advance of the deadline for such securities filing, and the other Party agrees to [***]after receipt of such confidential treatment request and proposed redactions) give its input in a reasonable manner in order to allow the Party seeking disclosure to file its request (incorporating the reviewing Party's reasonable input) within the timelines proscribed by the regulations of applicable governmental authorities or securities exchange. The Party seeking such disclosure shall use Commercially Reasonable Efforts to obtain confidential treatment of this Agreement from the applicable Governmental Authority or securities exchange as represented by the redacted version reviewed by the other Party and incorporating such Party's reasonable input.

8.4. Terms of this Agreement. The Parties acknowledge that this Agreement and all of the respective terms of this Agreement shall be treated as Confidential Information of both Parties subject to the provisions of Section 8.3, Section 8.5 and Section 8.8.

8.5. Publicity. The Parties have agreed in principle to release an initial press release to announce the execution of this Agreement, which shall be in a form mutually agreed upon by the Parties before release. After release of such initial press releases, each Party agrees not to issue any other press release or other public statement disclosing information relating to this Agreement or the transactions contemplated hereby that contains information not previously publicly disclosed in accordance with this Section 8.5 without the prior written consent of the other Party, such consent not to be unreasonably withheld, delayed or conditioned.

8.6. Publications. Flame shall be free to make any publication or communication with respect to any Licensed Antibody or Licensed Product in the Territory; provided that prior to publishing or disclosing any NovaRock Know-How within the NovaRock Licensed Technology or any other Confidential Information of NovaRock, Flame shall provide to NovaRock drafts of proposed abstracts, manuscripts or summaries of presentations. NovaRock shall respond promptly and in any event [***] after receipt of such proposed publication or presentation or such shorter period as may be required by the publication or presentation. Upon request of NovaRock, Flame shall delete from any proposed publication any Confidential Information of NovaRock or any of its Affiliates, licensees or sublicensees, or delay the submission of the publication a [***] to permit filings for Patent protection and to otherwise address issues of Confidential Information or related competitive harm to the reasonable satisfaction of NovaRock.

8.7. Use of Name. Except to the extent required under Applicable Law, neither Party shall use the name, insignia, symbol, trademark, trade name or logotype or any variation, adaptation or abbreviation thereof, of the other Party or its Affiliates, its directors, officers, employees or agents in any promotional material or other public announcement or disclosure with respect to this Agreement without the prior written consent of the other Party.

8.8. Equitable Relief. Given the nature of the Confidential Information and the competitive damage that could result to a Party upon unauthorized disclosure, use or transfer of its Confidential Information to any Third Party, the Parties agree that monetary damages may not be a sufficient remedy for any breach of this Article 8. In addition to all other remedies, a Party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any breach or threatened breach of this Article 8.

ARTICLE 9.
INDEMNIFICATION AND INSURANCE

9.1. Indemnification by NovaRock. NovaRock hereby agrees to defend, indemnify and hold harmless Flame and its Affiliates, and each of their respective directors, officers, employees, agents and representatives (each, a **"Flame Indemnitee")** from and against any and all liabilities, expenses or losses, including reasonable legal expenses and attorneys' fees (collectively, the **"Losses"),** to which any Flame Indemnitee may become subject as a result of any claim, suit, demand, action or other proceeding by any Third Party (each, a **"Claim")** to the extent such Losses arise directly or indirectly out of: (a) the breach by NovaRock of any warranty, representation, covenant or agreement made by NovaRock in this Agreement; (b) the gross negligence or willful misconduct of NovaRock Indemnitees; or (c) Development, Manufacture, Commercialization, Use or other distribution of Licensed Product outside the Field or outside the Territory; in each case, except to the extent (a) Flame is responsible for indemnifying NovaRock for such Losses pursuant to Section 9.2(a), in which case each Party will indemnify the other to the extent of its respective liability for such Losses or (b) such Loss or Claim is the result of Flame's breach of this Agreement, gross negligence or willful misconduct.

9.2. Indemnification by Flame. Flame hereby agrees to defend, indemnify and hold harmless NovaRock and its Affiliates and each of their respective directors, officers, employees, agents and representatives (each, a **"NovaRock Indemnitee")** from and against any and all

Losses to which any NovaRock Indemnitee may become subject as a result of any Claim to the extent such Losses arise directly or indirectly out of: (a) the breach by Flame of any warranty, representation, covenant or agreement made by Flame in this Agreement; (b) the gross negligence or willful misconduct of Flame Indemnitees or any Sublicensee; or (c) (i) the Development, Manufacture, Commercialization, use or other distribution of the Licensed Products by or on behalf of Flame or any of its Affiliates or Sublicensees (except if performed by NovaRock, its Affiliates or subcontractors) in the Field in the Territory, or (ii) the labeling, packaging, package insert, other materials or promotional claims with respect to any Licensed Product made by or on behalf of Flame, its Affiliates or Sublicensees in the Field in the Territory; in each case, except to the extent (a) NovaRock is responsible for indemnifying Flame for such Losses pursuant to Section 9.1, in which case each Party will indemnify the other to the extent of its respective liability for such Losses or (b) such Loss or Claim is the result of NovaRock's breach of this Agreement, gross negligence or willful misconduct.

9.3. Indemnification Procedures.

9.3.1. Promptly after a Flame Indemnitee or a NovaRock Indemnitee (each, an **"Indemnitee")** receives notice of a pending or threatened Claim, such Indemnitee shall give written notice of the Claim to the Party from whom the Indemnitee is entitled to receive indemnification pursuant to Section 9.1 or Section 9.2, as applicable (the **"Indemnifying Party").** However, an Indemnitee's delay in providing or failure to provide such notice shall not relieve the Indemnifying Party of its indemnification obligations, except to the extent it can demonstrate actual prejudice due to the delay or lack of notice.

9.3.2. Upon receipt of notice under this Section 9.3 from the Indemnitee, the Indemnifying Party will have the right to defend or settle, at its own expense and by counsel (reasonably satisfactory to Indemnitee) such Claim. The Indemnifying Party will promptly (and in any event not more than [***] after receipt of the Indemnitee's original notice) notify the Indemnitee in writing that it acknowledges its obligation to indemnify the Indemnitee with respect to the Claim pursuant to this Article 9 and of its intention either to settle or defend such Claim. Once the Indemnifying Party gives such notice to the Indemnitee, the Indemnifying Party shall have the right to control the defense and is not liable to the Indemnitee for the fees of other counsel or any other expenses subsequently incurred by the Indemnitee in connection with such defense, other than the Indemnitee's reasonable out of pocket Third Party expenses related to its investigation and cooperation, except as otherwise provided in the next sentence. As to all Claims as to which the Indemnifying Party has assumed control under this Section 9.3.2, the Indemnitee shall have the right to employ separate counsel and to participate in the defense of a Claim (as reasonably directed by the Indemnifying Party) at its own expense; provided, however, that if the Indemnitee shall have reasonably concluded, based upon a written opinion from outside legal counsel, that there is a conflict of interest between the Indemnifying Party and the Indemnitee in the defense of such Claim, in which case the Indemnifying Party shall pay the fees and expenses of one (1) law firm serving as counsel for the Indemnitee in relation to such Claim.

9.3.3. The Indemnitee shall reasonably cooperate with the Indemnifying Party and its legal representatives in the investigation and defense of any Claim. The Indemnifying Party shall keep the Indemnitee informed on a reasonable and timely basis as to the status of

such Claim (to the extent the Indemnitee is not participating in the defense of such Claim) and conduct the defense of such Claim in a prudent manner.

9.3.4. If an Indemnifying Party assumes the defense of a Claim, no settlement of such Claim may be effected by the Indemnifying Party without the Indemnitee's written consent (such consent not to be unreasonably withheld, delayed or conditioned). Notwithstanding the foregoing, the Indemnitee's consent shall not be required of a settlement where: (a) there is no finding or admission of any violation of law or any violation of the rights of any person and no effect on any other claims that may be made against the Indemnitee; (b) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party; (c) the Indemnitee's rights under this Agreement are not adversely affected; and (d) there is a full release of the Indemnitee from such Claim. If the Indemnifying Party fails to assume defense of a Claim within a reasonable time, the Indemnitee may settle such Claim on such terms as it deems appropriate with the consent of the Indemnifying Party (such consent not to be unreasonably withheld, delayed or conditioned), and the Indemnifying Party shall be obligated to indemnify the Indemnitee for such settlement as provided in this Article 9. It is understood that only Flame and NovaRock may claim indemnification under this Agreement (on its own behalf or on behalf of its Indemnitees), and other Indemnitees may not directly claim indemnity under this Agreement.

9.4. Insurance. Each Party, at its own expense, shall maintain comprehensive general liability, product liability and other appropriate insurance for the activities such Party undertakes pursuant to this Agreement, from reputable and financially secure insurance carriers in a form and at levels consistent with sound business practice and adequate in light of its obligations under this Agreement. Each Party shall provide a certificate of insurance (or evidence of self-insurance) evidencing such coverage to the other Party upon request. Such insurance will not create a limit to a Party's liability with respect to its indemnification obligations under this Article 9 or otherwise. This Section 9.4 will survive expiration or termination of this Agreement for the period of [***]. Each Party shall provide the other Party with prompt written notice of any cancellation, non-renewal or material change in such insurance that could materially adversely affect the rights of the other Party hereunder and shall provide such notice within [***] after any such cancellation, non-renewal or material change.

9.5. Limitation of Liability. EXCEPT FOR A PARTY'S OBLIGATIONS SET FORTH IN THIS ARTICLE 9, AND ANY BREACH OF ARTICLE 8, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR THE OTHER PARTY'S AFFILIATES) IN CONNECTION WITH THIS AGREEMENT FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR INDIRECT DAMAGES IN CONNECTION WITH THIS AGREEMENT, INCLUDING ANY SUCH LOSS OF GOOD WILL, LOST REVENUE OR LOST PROFITS, HOWEVER CAUSED, UNDER ANY THEORY OF LIABILITY, INCLUDING CONTRACT, NEGLIGENCE, OR STRICT LIABILITY, EVEN IF THAT PARTY HAS BEEN PLACED ON NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

ARTICLE 10.
TERM AND TERMINATION

10.1. Term. Unless earlier terminated in accordance with this Article 10 this Agreement shall commence on the Effective Date and shall continue in full force and effect, on a Licensed Product-by-Licensed Product and country-by-country basis, until expiration of the Royalty Term or otherwise terminated pursuant to this Article 10 (such period of time as this Agreement is in effect, the **"Term").** Following the expiration of the Term, the license rights granted shall become fully paid, perpetual and irrevocable.

10.2. Termination for Material Breach. Either Party (the **"Non-Breaching Party")** may terminate this Agreement, in its entirety or on a Licensed Product-by-Licensed Product or Research Program-by-Research Program basis, in the event the other Party (the **"Breaching Party")** commits a material breach of this Agreement, and such material breach (excluding breaches of payment obligations) has not been cured [***] after receipt of written notice of such breach by the Breaching Party from the Non-Breaching Party (the **"Cure Period").** The Cure Period shall be [***] after receipt of written notice of such breach by the Breaching Party from the Non-Breaching Party for breaches of payment obligations. The written notice describing the alleged material breach shall provide sufficient detail to put the Breaching Party on notice of such material breach. Any termination of this Agreement pursuant to this Section 10.2 shall become effective at the end of the Cure Period, unless the Breaching Party has cured any such material breach prior to the expiration of such Cure Period, or, if such material breach is not reasonably susceptible to cure within the Cure Period, then, the Non-Breaching Party's right of termination shall be suspended only if, and for so long as, the Breaching Party has provided to the Non-Breaching Party a written plan that is reasonably calculated to effect a cure of such material breach, such plan is accepted by the Non-Breaching Party (such acceptance not to be unreasonably withheld, delayed or conditioned), and the Breaching Party commits to and carries out such plan as provided to the Non-Breaching Party. Notwithstanding anything herein to the contrary, in the event that Flame's material breach of this Agreement relates primarily to one or more Licensed Products or Research Programs, NovaRock shall be permitted to terminate this Agreement pursuant to this Section 10.2 solely with respect to such Licensed Product(s) or Research Program. The right of either Party to terminate this Agreement as provided in this Section 10.2 shall not be affected in any way by such Party's waiver of or failure to take action with respect to any previous breach under this Agreement. In the event the Breaching Party disputes such material breach within the Cure Period in good faith, the Parties shall resolve the dispute in accordance with the dispute resolution process set forth in ARTICLE 11 and the Cure Period shall be tolled until such final determination is reached.

10.3. Termination without Cause. The Parties may terminate this Agreement at any time by mutual written agreement upon [***] prior written notice. Flame shall have the right to terminate this Agreement, in its entirety or with respect to one or more Licensed Products or Research Programs, without cause upon [***] prior written notice to NovaRock.

10.4. Termination for Bankruptcy. Either Party may terminate this Agreement in its entirety upon providing written notice to the other Party on or after the time that such other Party makes a general assignment for the benefit of creditors, files an insolvency petition in bankruptcy, petitions for or acquiesces in the appointment of any receiver, trustee or similar officer to

liquidate or conserve its business or any substantial part of its assets, commences under the laws of any jurisdiction any proceeding involving its insolvency, bankruptcy, reorganization, adjustment of debt, dissolution, liquidation or any other similar proceeding for the release of financially distressed debtors, or becomes a party to any proceeding or action of the type described above, and such proceeding or action remains un-dismissed or un-stayed for a period of more than [***]. All rights and licenses granted under or pursuant to this Agreement by each party to the other Party, as applicable, are and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Article 101(35A) of the Bankruptcy Code. The Parties agree that each Party, as a licensee of such Intellectual Property Rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. The Parties further agree that, upon the occurrence of a Bankruptcy Event with respect to a Party, each Party shall have the right to retain and enforce their rights under this Agreement.

10.5. Effects of Termination. All of the following effects of termination are in addition to the other rights and remedies that may be available to either of the Parties under this Agreement and shall not be construed to limit any such rights or remedies. In the event of termination of this Agreement by either Party:

10.5.1. Without limiting the effect that such termination shall have on any provisions of this Agreement, other than those provisions that this Agreement expressly provides shall survive such termination, all rights and licenses granted herein with respect to the terminated Licensed Product(s) shall terminate; provided that such licenses shall continue as necessary for the Parties to complete the orderly wind-down of their activities under this Agreement in accordance with Applicable Law and on a schedule mutually agreed by the Parties;

10.5.2. All payment obligations hereunder with respect to any terminated Licensed Product(s) shall terminate, other than those that are accrued and unpaid as of the effective date of such termination; and

10.5.3. each Receiving Party shall, in accordance with the Disclosing Party's request, either return to the Disclosing Party or certify in writing to the Disclosing Party that it has destroyed all documents and other tangible items containing the Confidential Information of the Disclosing Party; provided, that a Receiving Party shall be permitted to retain one copy of such materials in its legal files to be used to verify compliance with its obligations hereunder and as otherwise required to comply with Applicable Law or such Party's bona fide document retention policy or to exercise such Party's surviving rights hereunder.

For clarity, a termination of this Agreement in its entirety shall be deemed a termination with respect to all Licensed Products.

10.6. Remedies. Notwithstanding anything to the contrary in this Agreement, except as otherwise explicitly set forth in this Agreement, termination or expiration of this Agreement shall not relieve the Parties of any Liability or obligation which accrued hereunder prior to the effective date of such termination or expiration, nor prejudice either Party's right to obtain performance of any obligation. Each Party shall be free, pursuant to Article 11, to seek, without restriction as to the number of times it may seek, damages, costs and remedies that may be

available to it under Applicable Law or in equity and shall be entitled to offset the amount of any damages and costs obtained against the other Party in a final determination under Section 11.3, against any amounts otherwise due to such other Party under this Agreement.

10.7. Survival. In the event of the expiration or termination of this Agreement, the following provisions of this Agreement shall survive: Articles 1, 8 (for the period set forth therein), 9, and 11; and Sections 3.8 (for the period set forth therein), 5.4 — 5.5 (with respect to any payment obligations accrued prior to the effective date of termination or during any wind-down period pursuant to Section 10.5), 5.10 (for the period set forth therein), 5.11 (with respect to any payment obligations accrued prior to the effective date of termination or during any wind-down period pursuant to Section 10.5), 6.1, 7.4, 10.5-10.7, 12.1, 12.2, 12.3, 12.5, 12.6, 12.8, and 12.1012.17.

ARTICLE 11.
DISPUTE RESOLUTION

11.1. Exclusive Dispute Resolution Mechanism. The Parties agree that the procedures set forth in this Article 11 shall be the exclusive mechanism for resolving any dispute, controversy, or claim between the Parties that may arise from time to time pursuant to this Agreement relating to either Party's rights or obligations hereunder (each, a **"Dispute",** and collectively, the **"Disputes")** that is not resolved through good faith negotiation between the Parties.

11.2. Resolution by Executive Officers. Except as otherwise provided in this Section 11.2, in the event of any Dispute regarding the construction or interpretation of this Agreement, or the rights, duties or liabilities of either Party hereunder, the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on an informal basis within [***], either Party may, by written notice to the other Party, refer the Dispute to a senior executive officer (or his/her delegate) of the other Party for attempted resolution by good faith negotiation within [***] after such notice is received. Each Party may, in its sole discretion, seek resolution of any Dispute that is not resolved under this Section 11.2; provided that as between the Parties any Dispute regarding the scope, construction, validity, and enforceability of any patent or trademark relating to a Licensed Product that is the subject of this Agreement **("IP Dispute")** shall be determined in a court in accordance with Section 12.2 under applicable Federal patent or trademark laws.

11.3. Arbitration.

11.3.1. Any unresolved Dispute that is not an IP Dispute and which was subject to Section 11.2, shall be finally resolved by binding arbitration in accordance with the Commercial Arbitration Rules and Supplementary Procedures for Large Complex Disputes of the American Arbitration Association **("AAA")** and otherwise as set forth in this Section 11.3, and judgment on the arbitration award may be entered in any court having jurisdiction thereof.

11.3.2. If a Party intends to begin an arbitration to resolve a dispute arising under this Agreement after the provisions of Section 11.2 have been exhausted, such Party shall provide written notice (the **"Arbitration Request")** to the other Party of such intention and the

issues for resolution. From the date of the Arbitration Request and until such time as the dispute has become finally settled, the running of the time periods as to which a Party must cure a breach of this Agreement becomes suspended as to the subject matter of the dispute. Unless the Parties otherwise agree in writing, during the period of time that any arbitration proceeding is pending under this Agreement, the Parties shall continue to comply with all those terms and provisions of this Agreement that are not the subject of the pending arbitration proceeding.

11.3.3. Within [***] after the receipt of the Arbitration Request, the other Party may, by written notice, add additional issues for resolution; provided, that such issues have been subject to Section 11.2 and relate directly to the matter that is the subject of the applicable Arbitration Request.

11.3.4. The arbitration shall be conducted by one arbitrator selected in accordance with the AAA Commercial Arbitration Rules and Supplementary Procedures for Large Complex Disputes as modified below, unless the matter in dispute has a value of [***] and either Party wishes to have the arbitration conducted by a panel of three (3) arbitrators. The arbitrator(s) shall be experienced in the subject matter of the Arbitration Request as it applies to the biotechnology or pharmaceutical business. The Parties shall cooperate to attempt to select the arbitrator(s) by agreement [***] of the initiation of arbitration. If agreement cannot be reached within such [***], then that AAA will submit a list of twenty (20) qualified arbitrators from which each Party shall strike unacceptable entries; provided that each Party shall not strike more than thirty-five percent (35%) of the names without cause, and rank the remaining names. The AAA shall appoint the arbitrator(s) with the highest combined ranking(s). If these procedures fail to result in selection of the required number of arbitrators, the AAA shall appoint the arbitrator(s), allowing each side challenges for cause. The arbitration shall be held in New York City and all proceedings and communications shall be conducted in English. The Parties shall each use their best efforts to have the arbitration hearing held as soon as practicable and in any event within [***] after the selection of the arbitrator(s). At least [***] prior to the arbitration hearing, each Party shall submit to the other Party and the arbitrator(s) a copy of all exhibits on which such Party intends to rely at the hearing, a pre-hearing brief (up to twenty (20) pages), and a proposed ruling (up to five (5) pages). The proposed ruling shall be limited to proposed rulings and remedies on each issue and shall contain no argument on or analysis of the facts or issues. Within [***] after close of the hearing, each Party may submit a post-hearing brief (up to five (5) pages) to the arbitrator(s).

11.3.5. Either Party may apply first to the arbitrator(s) for interim injunctive relief until the arbitration decision is rendered or the arbitration matter is otherwise resolved; provided, that if such Party determines that such injunctive relief cannot be awarded in a timeframe adequate to protect such Party's interests, then a Party may, without waiving any right or remedy under this Agreement, seek from a court in accordance with Section 12.2 any injunctive or provisional relief necessary to protect the rights or property of that Party pending resolution of the arbitration matter pursuant to this Section 11.3. The arbitrators shall have no authority to award punitive or any other type of damages not measured by a Party's compensatory damages. The Parties further agree that the decision of the arbitrators shall be the sole, exclusive and binding remedy between them regarding determination of arbitration matters presented.

11.3.6. The Parties hereby agree that any disputed performance or suspended performance pending the resolution of an arbitration matter that the arbitrators determine to be required to be performed by a Party must be completed within a reasonable time period following the final decision of the arbitrators.

11.3.7. Each Party shall bear its own attorneys' fees, costs, and disbursements arising out of the arbitration, and shall pay an equal share of the fees and costs of the arbitrators; provided, however, that the arbitrators shall be authorized to determine whether a Party is the prevailing Party, and if so, to award to that prevailing Party reimbursement for its reasonable attorneys' fees, costs and disbursements (including, for example, expert witness fees and expenses, photocopy charges and travel expenses), or the fees and costs of the arbitrators.

11.3.8. Except to the extent necessary to confirm an award or decision or as may be required by Applicable Laws, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties.

11.3.9. By agreeing to this binding arbitration provision, the Parties understand that with respect to Disputes that are not IP Disputes, they are waiving certain rights and protections which may otherwise be available if a dispute between the Parties were determined by litigation in court, including the right to seek or obtain certain types of damages precluded by this provision, the right to a jury trial, certain rights of appeal, and a right to invoke formal rules of procedure and evidence.

11.4. Preliminary Injunctions. Notwithstanding anything in this Agreement to the contrary, a Party may seek a temporary restraining order or a preliminary injunction from any court of competent jurisdiction in order to prevent immediate and irreparable injury, loss, or damage on a provisional basis.

11.5. Tolling. During the pendency of any Dispute resolution proceeding between the Parties under this Article 11, the obligation to make any payment under this Agreement from one Party to the other Party, which payment is the subject, in whole or in part, of a proceeding under this Article 11, shall be tolled until the final outcome of such Dispute has been established. Any undisputed payment obligations (including undisputed portions of a payment obligation that is subject to a proceeding under this Article 11) shall not be tolled during such Dispute.

11.6. Confidentiality. Any and all activities conducted under this Article 11, including any and all proceedings and decisions hereunder, shall be deemed Confidential Information of each of the Parties, and shall be subject to Article 8.

11.7. WAIVER OF RIGHT TO JURY TRIAL. IN CONNECTION WITH THE PARTIES' RIGHTS UNDER THIS ARTICLE 11, EACH PARTY, TO THE EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE.

ARTICLE 12.
MISCELLANEOUS

12.1. Notices. Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement shall be in writing, shall refer specifically to this Agreement and shall be deemed given only if delivered by hand or sent by electronic transmission (with transmission confirmed) or by an internationally recognized overnight delivery service that maintains records of delivery, addressed to a Party at its respective address specified in this Section 12.1 or to such other address as the Party to whom notice is to be given may have provided to the other Party in accordance with this Section 12.1. Such notice shall be deemed to have been given as of the date delivered by hand or electronically transmitted (with transmission confirmed) or on the second Business Day (at the place of delivery) after deposit with an internationally recognized overnight delivery service. Any notice delivered by electronic transmission shall be confirmed by a hard copy delivered as soon as practicable thereafter. This Section 12.1 is not intended to govern the day-to-day business communications necessary between the Parties in performing their obligations under the terms of this Agreement.

If to Flame:

Flame Biosciences, Inc.
280 Union Square Drive
New Hope, PA 18938
Attention:

If to NovaRock:

NovaRock Biotherapeutics Ltd.
801 Charles Ewing Blvd.
Ewing, NJ 08628, USA
Attention: [***]

12.2. Governing Law. This Agreement and all disputes arising out of or related to this Agreement or any breach hereof shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any choice of law principles that would result in the application of the laws of any other jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the transactions contemplated by this Agreement. Each Party hereby irrevocably and unconditionally (a) consents to submit to the exclusive jurisdiction of the state and federal courts located in New York, New York, for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby and (b) waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the state and federal courts of New York, New York, and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Each Party waives personal service of any summons, complaint or other process in connection with such action and agree that service may be made by any means permitted or prescribed in this Agreement for delivery of notices or by any means permitted by Applicable Law. Nothing contained in this Section 12.2 is intended to limit the applicability of Article 11. In the event of any conflict between the provisions of this Section 12.2 and the provisions of Article 11, the provisions of Article 11 shall control.

12.3. Designation of Affiliates. Each Party may discharge any obligation and exercise any right hereunder through delegation of its obligations or rights to any of its Affiliates. Each Party hereby guarantees the performance by its Affiliates of such Party's obligations under this Agreement and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance. Any breach by a Party's Affiliate of any of such Party's obligations under this Agreement shall be deemed a breach by such Party, and the other Party may proceed directly against such Party without any obligation to first proceed against such Party's Affiliate.

12.4. Export Controls. This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States or other countries that may be imposed on the Parties from time to time. Each Party agrees that it will not export, directly or indirectly, any technical information acquired from the other Party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate agency or other governmental entity in accordance with Applicable Law.

12.5. Relationship of the Parties. It is expressly agreed that NovaRock, on the one hand, and Flame, on the other hand, shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency, including for tax purposes. Neither NovaRock nor Flame shall have the authority to make any statements, representations or commitments of any kind, or to take any action which shall be binding on the other, without the prior written consent of the other Party to do so. All persons employed by a Party shall be employees of that Party and not of the other Party and all costs and obligations incurred by reason of such employment shall be at the expense of such Party.

12.6. Third Party Beneficiaries. Except as set forth in Section 9.1 or Section 9.2, as applicable, Agreement shall not confer any benefits on any Third Parties and no Third Party may enforce any term of this Agreement.

12.7. Force Majeure. Both Parties shall be excused from the performance of their obligations under this Agreement to the extent that such performance is prevented by Force Majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting Force Majeure continues and the nonperforming Party takes reasonable efforts to remove the condition. Notwithstanding the foregoing, a Party shall not be excused from making payments owed hereunder because of a Force Majeure affecting such Party. If a Force Majeure persists for more than [***], then the Parties shall discuss in good faith the modification of the Parties' obligations under this Agreement in order to mitigate the delays caused by such Force Majeure.

12.8. Assignment. Neither Party may assign this Agreement, or any rights or obligations hereunder without the prior written consent of the other Party, not to be unreasonably withheld or delayed; provided that either Party may assign this Agreement without the other Party's consent (a) to an Affiliate; or (b) to a successor to substantially all of the business of such Party to which this Agreement relates, whether in a merger, sale of stock, sale of assets or other transaction. Any permitted assignment shall be binding on the successors of the assigning Party. Any

permitted assignee shall assume all obligations of its assignor under this Agreement. Any assignment or attempted assignment by either Party in violation of the terms of this Section 12.8 shall be null, void and of no legal effect.

12.9. Application to Affiliates. The rights to Know-How or Patents: (a) controlled by a Third Party permitted assignee of a Party that were controlled by such assignee (and not such Party) immediately prior to such assignment of this Agreement under Section 12.8(b) hereunder (other than as a result of a license or other grant of rights, covenant or assignment by such Party or its Affiliates to, or for the benefit of, such Third Party); or (b) Controlled by an Affiliate of a Party that becomes an Affiliate through any Change of Control of such Party, that were Controlled by such Affiliate (and not such Party) immediately prior to such Change of Control (other than as a result of a license or other grant of rights, covenant or assignment by such Party or its other Affiliates to, or for the benefit of, such Affiliate), in each case ((a) and (b)) shall be automatically excluded from the rights licensed or granted to the other Party under this Agreement; provided that such Know-How or Patents shall be so excluded only for so long as and to the extent they are not utilized by the such Thirty Party assignee or Affiliate in conducting activities pursuant to this Agreement or with respect to the Licensed Products following such assignment or Change of Control, as applicable.

12.10. Severability. Many one or more of the provisions of this Agreement is held to be invalid or unenforceable by any court of competent jurisdiction from which no appeal can be or is taken, the provision(s) shall be considered severed from this Agreement and shall not serve to invalidate any remaining provisions hereof. The Parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable provision such that the objectives contemplated by the Parties when entering this Agreement may be realized.

12.11. Waiver and Non-Exclusion of Remedies. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. The waiver by either Party hereto of any right hereunder or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise. The rights and remedies provided herein are cumulative and do not exclude any other right or remedy provided by Applicable Law or otherwise available except as expressly set forth herein.

12.12. Further Assurance. Each Party shall duly execute and deliver, or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including the filing of such assignments, agreements, documents, and instruments, as may be necessary or as the other Party may reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes hereof.

12.13. Headings. The headings of each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Article or Section.

12.14. Construction. In this Agreement: (a) the word "including" or any similar expression shall be deemed to be followed by the phrase "without limitation" or like expression; (b) the singular shall include the plural and vice versa; (c) the word "will" will be construed to have the same meaning and effect as the word "shall,"; (d) any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein); (e) the words "herein," "hereof' and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof; (I) all references herein to sections, attachments, appendices, exhibits or the like will be construed to refer to sections, attachments, appendices, exhibits or the like of this Agreement, and references to this Agreement include all attachments, appendices, exhibits or the like attached hereto; (g) references to any Applicable Law, or any article, section or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor Applicable Law thereof and any regulations promulgated pursuant to such Applicable Law; (h) the term "or" will be interpreted in the inclusive sense commonly associated with the term "and/or"; and (i) the terms "dollars", "Dollars" and "$" mean U.S. Dollars. Each accounting term used herein that is not specifically defined herein shall have the meaning given to it under generally accepted cost accounting principles, but only to the extent consistent with its usage and the other definitions in this Agreement.

12.15. Entire Agreement. This Agreement, including the Schedules hereto, sets forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto with respect to the subject matter hereof and supersedes, as of the Effective Date, all prior and contemporaneous agreements and understandings between the Parties with respect to the subject matter hereof, including the Confidentiality Agreement by and between the Parties dated June 9, 2021 **("Prior CDA").** The foregoing shall not be interpreted as a waiver of any remedies available to either Party as a result of any breach, prior to the Effective Date, by the other Party of its obligations under the Confidentiality Agreement dated June 9, 2021. All confidential or proprietary information exchanged between the Parties under the Prior CDA shall be deemed Confidential Information for purposes of this Agreement and shall be subject to the terms of this Agreement. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the Parties other than as are set forth herein and therein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party. In the event of any inconsistency between the body of this Agreement and either any Schedule to this Agreement or any subsequent agreements ancillary to this Agreement, unless otherwise express stated to the contrary in such Schedule or ancillary agreement, the terms contained in this Agreement shall control.

12.16. Expenses. Except as otherwise provided in this Agreement, each Party (and, if applicable, any of its respective Affiliates) shall bear its own costs and expenses in connection with entering into this Agreement and the consummation of the transactions contemplated hereby and its performance of this Agreement.

12.17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by .pdf or other electronically transmitted signatures and such signatures shall be deemed to bind each Party hereto as if they were the original signatures.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

[Signature Page to Strategic Partnership and License Agreement]

Schedule 1.77
NBL-016

NBL-016 is a tetravalent antibody that consists of a human IgG component binding to claudin18.2 and two stabilized ScFv chains against human CD137 at the C-terminus of each heavy chain. The Fc is silenced for Fc-mediated effector functions.

Schedule 1.84

NovaRock Patents

1. WO2020/160560 Anti-Claudin 18 Antibodies and Methods of Uses Thereof, published August 6, 2020

Schedule 1.85

NovaRock Platform

NovaRock CD137 platform includes propriety molecules designed to effect T cell activation and killing in the tumor microenvironment, comprising components specifically targeting tumor associated antigens (TAA) and conditional agonistic anti-CD137 components.

Schedule 2.4

Data and Information Package

1. [***] **CHO Cell Line and Vector, including as incorporated into NBL-015 or NBL-016 as licensed to NovaRock under the Non-Exclusive License Agreement by and between** [***] **and NovaRock, dated 13 May 2019 ("**[***] **Agreement").**
2. IND package and communications with FDA and ODD approval letters

Exhibit 10.2

Information in this exhibit identified by [***] is confidential and has been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is both (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed.

COLLABORATION AGREEMENT

THIS COLLABORATION AGREEMENT (the "**Agreement**") is made effective as of August 10, 2020 (the "**Effective Date**"), by and between Adimab, LLC, a Delaware limited liability company having an address at 7 Lucent Drive, Lebanon, NH 03766 ("**Adimab**"), and Flame Biosciences, Inc., 555 Madison Ave., Suite 1201, New York, NY 10022 ("**Flame**").

BACKGROUND

WHEREAS, Adimab is a leader in yeast-based, fully human antibody discovery and optimization using its proprietary core technology platform;

WHEREAS, Flame is a biotechnology company in the business of, among other things, developing and commercializing therapeutic products;

WHEREAS, Flame wishes to collaborate with Adimab on at least four and potentially as many as six projects pursuant to which Adimab will discover new antibodies against the Targets of Flame's choosing and optimize antibodies provided by Flame;

WHEREAS, Flame will have the option to develop, manufacture and commercialize the resulting Program Antibodies in accordance with the terms hereof; and

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth below, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Adimab and Flame hereby agree as follows:

ARTICLE 1

DEFINITIONS.

The following initially capitalized terms have the following meanings (and derivative forms of them shall be interpreted accordingly):

1.1 "**AAA**" has the meaning set forth in Section 10.2(c)(i) (*Arbitration*).

1.2 "**Adimab**" has the meaning set forth in the recitals.

1.3 "**Adimab Indemnitees**" has the meaning set forth in Section 8.2 (*Indemnification by Flame*).

1.4 "**Adimab Materials**" means any tangible biological or chemical materials (including all vectors, antibodies and other Know-How in the form of tangible biological or chemical materials) used or created by Adimab under a Research Program, including quantities of Program Antibodies (and DNA encoding these Program Antibodies), but excluding from and after the time

of Option exercise for the relevant Target any quantities of Optioned Antibodies (and DNA encoding these Optioned Antibodies) provided to Flame for such Target.

1.5 "**Adimab Platform Patents**" means all Patents Adimab Controls during the term of this Agreement that claim or Cover Adimab Platform Technology. (For clarity, Adimab Platform Patents exclude Program Antibody Patents.)

1.6 "**Adimab Platform Technology**" means (a) the discovery and optimization of antibodies via methods that include the use of synthetic DNA antibody libraries and engineered strains of yeast, (b) all methods, materials and other Know-How used in the foregoing and (c) platforms embodying, components, component steps and other portions of any of the foregoing in (a) or (b). For clarity, Adimab Platform Technology excludes Program Antibodies, but includes technology used in the discovery and optimization of any Program Antibody, in each case not based on the specific composition of such Program Antibody (or product containing a Program Antibody), but based instead on the manner in which such Program Antibody was discovered or optimized under a Research Program.

1.7 "**Adimab Platform Technology Improvement**" means all Know-How developed or discovered through or as a result of a Research Program, and all Program Inventions (and Patents claiming them) that constitute, Cover, claim or are directed to Adimab Platform Technology, including any and all improvements, enhancements, modifications, substitutions, alternatives or alterations to Adimab Platform Technology.

1.8 "**Adimab Program Inventions**" means all Program Inventions made solely by employees of, or others obligated to assign Program Inventions to, Adimab.

1.9 "**Affiliate**" means an entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with a Party. For this purpose, "control" means the ownership of fifty percent (50%) or more of the voting securities entitled to elect the directors or management of the entity, or the actual power to elect or direct the management of the entity.

1.10 "**Agreement**" has the meaning set forth in the recitals.

1.11 "**Back-Up Candidate"** means a Product that (a) is directed to the same Target (or, with respect to a multispecific antibody, the same set of Targets) as another Product (the "**Lead Product**"), and (b) has been selected by Flame as a back-up to the Lead Product for development and commercialization.

1.12 "**CAR Product**" means a Product consisting of a chimeric antigen receptor, designed to bind to a cell surface tumor antigen, linked to intracellular T cell activating domains.

1.13 "**Commercially Reasonable Efforts**" means the level of efforts required to carry out a task in a diligent and sustained manner without undue interruption, pause or delay; which level is at least commensurate with the level of efforts that a similarly situated biopharmaceutical company would devote to a product [***]; and all other relevant commercial factors.

1.14 "**Confidential Information**" has the meaning set forth in Section 6.1(a) (*General Confidentiality Obligations*).

1.15 "**Combination Product**" means a Product (a) containing a Licensed Product together with one or more other active ingredients (excluding antibody-drug conjugates, CAR Products and bispecifics), or (b) marketed with one or more products, devices, pieces of equipment or components, but sold for an integrated price (e.g., with the purchase of one product the customer gets a coupon for the full price of the other) or for a single price.

1.16 "**Control**" means, with respect to any Know-How or Patent, possession by a Party, whether by ownership or license (other than pursuant to this Agreement) of the ability to grant a license or sublicense as provided for in this Agreement without violating the terms of any written agreement with any Third Party.

1.17 "**Cover**" means, with respect to a particular item and a particular Patent, that such Patent claims or covers, in any of the countries of manufacture, use, and/or sale, (a) the composition of such item, or of any product containing such item or that is made using such item by virtue of such product containing or being made using such item; and (b) a method of making or using any of the things referred to in (a).

1.18 "**Discovery Term**" means the term beginning on the Effective Date and ending twelve (12) months after the Effective Date; *provided, however*, that in the event that Flame exercises the Extension Option, the Discovery Term shall be extended by six (6) months such that it ends on the date which is eighteen (18) months after the Effective Date.

1.19 "**Dispute**" has the meaning set forth in Section 10.2(a) (*Initial Dispute Resolution*). **1.20** "**Effective Date**" has the meaning set forth in the recitals.

1.21 "**Evaluation Term**" means, with respect to each Research Program, the time period beginning at the end of the Research Term for such Research Program and ending [***] thereafter.

1.22 "**Excluded Technology**" means technology (and the Patents that Cover such technology) related to:

(a) product formulation;

(b) manufacturing or production;

(c) the sequence of, or any modification to, a Program Antibody (including Patents relating to pegylation or other chemical modification) or sequences of antibodies against a Target;

(d) technology used in activities performed by or on behalf of Flame or its Licensees, including assays, *in vivo* testing, and modifications to Program Antibodies;

(e) any Target (including any antigen representation thereof), or any mechanism of action via interaction with a Target, or antibodies based on their interaction with a Target, or their having been tested for their activity against a Target in a biological assay;

(f) the use of Flame Materials;

(g) if other than an IgG, the construct of any Product; and

(h) technology related to anything other than the manner in which Adimab discovered the antibody, the Adimab Platform, or its operation generally.

1.23 "**Extension Option**" means Flame's option to add two (2) additional Research Programs to this Agreement, exercisable by notice to Adimab thirty (30) days prior to the first anniversary of the Effective Date.

1.24 "**Field**" means any and all uses and purposes, including, without limitation, diagnostic, prophylactic, and therapeutic uses, in humans and animals.

1.25 "**First Commercial Sale**" means, with respect to a Product in any country, the first sale, transfer or disposition for value or for end use or consumption of such Product in such country after Marketing Approval for such Product has been received in such country.

1.26 "**Flame**" has the meaning set forth in the recitals.

1.27 "**Flame Indemnitees**" has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

1.28 "**Flame Materials**" means (a) any tangible biological or chemical materials (including antigen samples and other Know-How in the form of tangible biological or chemical materials) provided by Flame to Adimab under a Research Program (other than commercial material purchased by Flame and delivered to Adimab), and (b) from and after the time of the Option exercise for a Target, the quantities of Optioned Antibody to such Target provided to Flame by Adimab under this Agreement.

1.29 "**Flame Program Inventions**" means all Program Inventions made solely by employees of, or others obligated to assign Program Inventions to, Flame.

1.30 "**Force Majeure**" means conditions beyond a Party's reasonable control or ability to plan for, including acts of God, war, terrorism, civil commotion, labor strike or lock-out; epidemic; failure or default of public utilities or common carriers; and destruction of facilities or materials by fire, earthquake, storm or like catastrophe; *provided, however*, the payment of invoices due and owing under this Agreement shall not be excused by reason of a Force Majeure affecting the payor.

1.31 "**FTE**" means the equivalent of a full-time employee's working days over a twelve (12) month period (taking account of normal vacations, sick days and holidays not being considered working days), which equates to a total of one thousand eight hundred (1,800) hours per twelve (12) month period of work performed by a fully qualified Adimab employee or

consultant in a Research Program. To provide an FTE over a given time period that is less than a year means to provide the proportionate share (corresponding to the proportion that such time period bears to a full year) during such time period of a full year's FTE. In no event shall the work over the course of a year of one individual person account for more than one (1) FTE year.

1.32 "**FTE Rate**" means [***] per FTE.

1.33 "**Indemnify**" has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

1.34 "**Joint Inventions**" means any and all Program Inventions made jointly by employees of, or others obligated to assign Program Inventions to, each of Adimab and Flame.

1.35 "**Joint Serendipitous Inventions**" means all Joint Inventions other than those claimed by Program Antibody Patents or constituting Adimab Platform Technology Improvements.

1.36 "**Know-How**" means all technical information and know-how, including (i) inventions, discoveries, trade secrets, data, specifications, instructions, processes, formulae, materials (including cell lines, vectors, plasmids, nucleic acids and the like), methods, protocols, expertise and any other technology, including the applicability of any of the foregoing to formulations, compositions or products or to their manufacture, development, registration, use or marketing or to methods of assaying or testing them or processes for their manufacture, formulations containing them or compositions incorporating or comprising them, and (ii) all data, instructions, processes, formula, strategies, and expertise, whether biological, chemical, pharmacological, biochemical, toxicological, pharmaceutical, physical, analytical, or otherwise and whether related to safety, quality control, manufacturing or other disciplines.

1.37 "Lead Product" has the meaning set forth in Section 1.11 (*Back-Up Candidate*).

1.38 "License Agreements" has the meaning set forth in Section 9.6 (*Additional Effects of Termination*).

1.39 "Licensee" means a Third Party to whom Flame has granted, directly or indirectly, rights to research, develop, manufacture, and/or commercialize Program-Benefited Antibodies; *provided, however*, that Licensees shall exclude fee-for-service contract research organizations or contract manufacturing organizations acting in such capacity. For clarity, licensees of the rights assigned to Flame by Adimab and sublicensees of the license granted by Adimab to Flame pursuant to Section 3.2 (*Commercial Rights*) shall be Licensees.

1.40 "Losses" has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

1.41 "Marketing Approval" each means, with in any given country, approval to market a Product legally as a drug or biologic, including approval of a Biologic License Application (as defined in the U.S. Federal Food, Drug and Cosmetics Act and the regulations promulgated thereunder (21 C.F.R. §§ 600-680) in the United States, or approval of a comparable filing in the United States or any other jurisdiction. Pricing approval need not be obtained in order for Marketing Approval to be achieved.

1.42 "Milestone Event" has the meaning set forth in Section 4.4 (*Milestone Events*).

1.43 "Milestone Payment" has the meaning set forth in Section 4.4 (*Milestone Events*).

1.44 "Net Sales" means the gross amounts invoiced for a Product by Flame, its Affiliates and Licensees for sales or other commercial disposition of such Product to a Third Party purchaser, less the following:

(a) [***].

Products are considered "sold" when billed, invoiced or payment is received, whichever comes first.

Notwithstanding the foregoing, Net Sales shall not include, and shall be deemed zero with respect to [***].

If any Optioned Antibody is sold as part of a Combination Product, the Net Sales for such Optioned Antibody shall be determined on a country-by-country basis as follows: the Net Sales of the Combination Product (prior to application of the following adjustment) shall be multiplied by the fraction A/(A+B), where A is the net selling price in such country of the Product with only the Optioned Antibody (i.e., without the additional active ingredient in the Combination Product) if sold separately for the same dosage (or form) as contained in the Combination Product, and B is the net selling price in such country of any other active ingredients in the combination if sold separately for the same dosage (or form) as contained in the Combination Product. All net selling prices of the elements of such end-user product shall be calculated as the average net selling price of the said elements during the applicable accounting period for which the Net Sales are being calculated. In the event that, in any country, no separate sale of either such above-designated Product (containing only such Optioned Antibody and no other active ingredients) or any one or

more of the active ingredients included in such Combination Product are made during the accounting period in which the sale was made or if the net selling price for an active ingredient cannot be determined for an accounting period, Net Sales for purposes of determining payments under this Agreement shall be calculated by multiplying the sales price of the Combination Product by the fraction C/(C+D) where C is the standard fully-absorbed manufacturing cost of the Optioned Antibody portion of the combination, and D is the standard fully-absorbed manufacturing cost of the other active ingredients included in the Combination Product, as determined by Flame using its standard accounting procedures consistently applied. In the event that the standard fully-absorbed manufacturing cost of the Optioned Antibody and/or the other active ingredients included in such Combination Product cannot be determined, Net Sales allocable to the Combination Product in each such country shall be determined by mutual agreement (such agreement to not be unreasonably withheld) reached in good faith by the Parties prior to the end of the accounting period in question based on an equitable method of determining the same that takes into account, on a country-by-country basis, all relevant factors [***].

1.45 "Optimized Antibody" means an antibody resulting from the optimization, pursuant to a Research Plan, by Adimab of a Flame Antibody . For the avoidance of doubt, any activities conducted by Adimab under a Research Plan using an antibody provided by Flame shall be deemed "optimization." Optimized Antibodies shall themselves be Program Antibodies. For the purposes of this Section 1.45, "Flame Antibody" means an antibody provided by Flame that is not a Program Antibody.

1.46 "Optimized Product" means any Product that contains one or more Optimized Antibodies and does not contain Program Antibodies other than Optimized Antibodies.

1.47 "Option" has the meaning set forth in Section 3.2(a) (*Option*).

1.48 "Option Fee" has the meaning set forth in Section 4.3 (*Option Fee*).

1.49 "Optioned Antibody" means any Program Antibody selected by Flame pursuant to Section 3.2(a) (*Option*), and any Program-Benefited Antibody generated from such selected Program Antibody.

1.50 "Optioned Program Antibody Patents" means those Program Antibody Patents that solely Cover Optioned Antibodies.

1.51 "Optioned Program Antibody Know-How" means Know-How included in Program Inventions that relates solely to Optioned Antibodies.

1.52 "Party" means Adimab or Flame.

1.53 "Patent" means any patent application or patent anywhere in the world, including all of the following categories of patents and patent applications, and their foreign equivalents: provisional, utility, divisional, continuation, continuation-in-part, and substitution applications; and utility, re-issue, re-examination, renewal and extended patents, and patents of addition, and any Supplementary Protection Certificates, restoration of patent terms and other similar rights.

1.54 "Phase I Trial" means a human clinical trial (whether a phase la or a phase lb trial) in any country of the type described in 21 C.F.R. §312.21(a), or an equivalent clinical study required by a Regulatory Authority outside of the United States.

1.55 "Phase II Trial" means a human clinical trial conducted in any country of the type described in 21 C.F.R. §312.21(b), or an equivalent clinical study required by a Regulatory Authority outside of the United States.

1.56 "Phase III Trial" means a human clinical trial in any country of the type described in 21 C.F.R. § 312.21(c), or an equivalent clinical study required by a Regulatory Authority outside the United States. For purposes of this Agreement, a human clinical trial that combines elements of a Phase II Trial and a Phase III Trial (a Phase II/III trial) shall be deemed a Phase III Trial.

1.57 "Product" means a pharmaceutical preparation in any form that comprises or contains one or more Program-Benefited Antibodies (whether or not such product is currently under evaluation for safety, efficacy, or other factors).

1.58 "Program Antibody" means each antibody (including scFvs) that has the same sequence of any antibody generated from use of the Adimab Platform Technology and delivered by Adimab to Flame under a Research Program. It is understood and agreed that even if Adimab delivers nucleic acid sequences or amino acid sequences to Flame instead of protein samples, antibodies encoded by such nucleic acid sequences or amino acid sequences are Program Antibodies, in addition to antibodies samples of which are physically delivered to Flame under this Agreement. For clarity, Optimized Antibodies are Program Antibodies.

1.59 "Program Antibody Know-How" means Know-How (a) included in Program Inventions that relates to Optioned Antibodies, excluding Optioned Program Antibody Know-How and (b) does not relate to Adimab Platform Technology or Adimab Platform Technology Improvements.

1.60 "Program Antibody Patents" means Patents that (a) Cover a Program-Benefited Antibody or any Product and (b) do not Cover Adimab Platform Technology or Adimab Platform Technology Improvements.

1.61 "Program Assets" has the meaning set forth in Section 9.6 (*Additional Effects of Termination*).

1.62 "Program-Benefited Antibody" means any Program Antibody and any modified or derivative form of any such Program Antibody (including an scFv) created by or on behalf of Flame or its Licensees, including any fragment thereof, pegylated version thereof (whether or not including amino acid changes) and including chemically modified versions (including associated amino acid substitutions) of a Program Antibody, and including an antibody designed or derived using the sequence of any Program Antibody, nucleotide coding for it, any cell line or cellular or bacterial expression system or vector expressing any Program Antibody or incorporating the nucleotide coding for a Program Antibody.

1.63 "Program Inventions" means any invention that is conceived and/or first reduced to practice in the course of or as a result of the activities conducted under this Agreement (including

in exercise of a license under this Agreement) or as a result of the use of Confidential Information exchanged hereunder. For clarity, Program Inventions include all Know-How made, developed, invented or discovered by employees, contractors or agents of either Party or of both Parties pursuant to this Agreement.

1.64 "Program Patent" means any Patent Covering a Program Invention.

1.65 "Regulatory Assets" has the meaning set forth in Section 9.6 (*Additional Effects of Termination*).

1.66 "Regulatory Authority" means the FDA or any counterpart of the FDA outside the United States, or other national, supra-national, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the distribution, importation, exportation, manufacture, production, use, storage, transport, clinical testing or sale of a pharmaceutical product (including a Product), which may include the authority to grant the required reimbursement and pricing approvals for such sale.

1.67 "Research Committee" has the meaning set forth in Section 2.2(a) (*Scientific Research Committee*).

1.68 "Research Plan" means the research plan to be agreed upon by the Parties with respect to a Target in accordance with Section 2.1 (*Research Programs*) hereof.

1.69 "Research Program" means each program of research conducted under this Agreement in accordance with a Research Plan.

1.70 "Research Term" means the period beginning on the Effective Date and ending, on a Research Program-by-Research Program basis, when Adimab [***].

1.71 "Royalty Payment" has the meaning set forth in Section 4.5(a) (*Royalty Payments*).

1.72 "Royalty Term" means, on a Product-by-Product and country-by-country basis, the term ending at the later to occur of [***].

1.73 "Senior Executive Discussions" has the meaning set forth in Section 10.2(a) (*Initial Dispute Resolution*).

1.74 "Sublicense Agreement" has the meaning set forth in Section 3.2 (*Licenses*).

1.75 "Tangible Assets" has the meaning set forth in Section 9.6 (*Additional Effects of Termination*).

1.76 "Target" means a target selected by Flame pursuant to Section 2.1 (*Research Programs*).

1.77 "Target Questionnaire" means the form of target questionnaire attached hereto as Exhibit A.

1.78 "Third Party" means an entity other than a Party or a Party's Affiliates.

1.79 "Third Party Claims" has the meaning set forth in Section 8.1 (*Indemnification by Adimab*).

1.80 "Third Party Patent Licenses" means Patent licenses obtained by Flame after Flame determines in good faith that one or more such Patent licenses from Third Parties are reasonably required by Flame because such Patents Cover the way in which Program Antibodies were discovered or optimized using Adimab Platform Technology under a Third Party Patent Covering the Adimab Platform Technology, in order to avoid Third Party claims of patent infringement relating to the discovery or optimization of a Optioned Antibody, which claims are reasonably believed by Flame to be reasonably likely not to be dismissed at summary judgment and are reasonably likely to succeed overall. For clarity, Third Party Patent Licenses explicitly excludes licenses to any Excluded Technology.

1.81 "Transferred Assets" has the meaning set forth in Section 9.6 (*Additional Effects of Termination*).

1.82 "Valid Claim" means a claim of a Patent, which claim (i) is issued and unexpired and has not been found to be unpatentable, invalid or unenforceable by a court or other authority having jurisdiction, from which decision no appeal is taken, will be taken or can be taken; or (ii) is pending and has not been finally abandoned or finally rejected and has been pending for no more than eight (8) years.

1.83 References in the body of this Agreement to "Sections" refer to the sections of this Agreement. The terms "include," "includes," "including" and derivative forms of them shall be deemed followed by the phrase "without limitation" regardless of whether such phrase appears there (and with no implication being drawn from its inconsistent inclusion or non-inclusion).

1.84 To avoid doubt, the term "antibody" as used everywhere else in this Agreement includes both full-length antibodies, fragments thereof, and chemically modified versions thereof (including pegylated versions and regardless of whether containing amino acid substitutions), all of the foregoing whether naturally occurring, artificially produced, raised in an artificial system, or created through modification of an antibody produced in any of the foregoing ways or otherwise, and whether represented by physical material, nucleic acid sequences, or amino acid sequences.

ARTICLE 2

RESEARCH PROGRAMS.

2.1 Research Programs.

(a) Research Plans. The Parties agree to initially collaborate on [***] Research Programs, each in accordance with a Research Plan; *provided, however*, that in the event

that Flame exercises the Extension Option, the Parties will collaborate on an additional [***] Research Programs for a total of [***] Research Programs. Flame shall nominate one Target for each Research Program by completing a Target Questionnaire and delivering it to Adimab during the Discovery Term. Flame shall nominate [***] Targets within [***] and, if Flame exercises the Extension Option, Flame shall nominate the remaining [***] Targets no later than [***]. Upon completion of a Target Questionnaire by Flame, the Parties shall agree to a Research Plan setting forth the expected timeline, budget, and relevant deliverables from initial discovery and from optimization of Program Antibodies. In addition, each Research Plan will set forth the criteria for achieving the technical milestone described in Section 4.2(b) (*Technical Milestone*), which criteria shall be [***]. Such Research Plan shall be based upon the form of Research Plan attached hereto as Exhibit B, and shall include Adimab's responsibilities with respect to the discovery and optimization of antibodies with respect to each Target. Each Research Plan shall be agreed upon in writing by the Parties, and each Research Program shall be conducted in accordance therewith. Neither Party is required to perform a Research Program under this Agreement if the Parties do not mutually agree in writing on Research Plan. Adimab shall not unreasonably withhold its approval of a Research Plan. In the event that Adimab does not approve a Research Plan proposed by Flame as [***]of such proposal, then the Target contemplated by such Research Plan shall not count in calculating the number of Targets on which the Parties shall collaborate hereunder.

(b) Conduct of Research. Each Party shall use its Commercially Reasonable Efforts to perform the activities assigned to such Party in each Research Plan and to achieve the timeline(s) set forth in such Research Plan. Adimab's performance obligations under each Research Program shall be contingent upon Flame providing the Flame Materials, if any, set forth in the applicable Research Plan. Such Flame Materials are expected to include Target antigen of suitable quality for performance of the Research Program. Adimab's obligations with regard to the performance of a particular Research Program shall be subject to the Flame Materials passing Adimab's quality control standards. Adimab's obligations with regard to the performance of a particular Research Program shall expire at the end of the applicable Research Term. Both Parties shall have the right to use Third Parties in the performance of its obligations hereunder.

2.2 Project Management.

(a) Scientific Research Committee. Promptly after the execution of each Research Plan, the Parties shall form a steering committee consisting of two (2) representatives of each Party (the "**Research Committee**") to oversee such Research Plan. The Research Committee's role is to facilitate communication regarding progress in relation to the Research Programs and the collaboration generally. Either Party may change its Research Committee members upon written notice to the other Party. The Research Committee may meet in person or by teleconference or videoconference. Each Party shall designate one of its Research Committee members as co-chair. The Research Committee shall meet from time to time promptly after the date of a written request by either Party. Additional members representing either Party may attend any Research Committee meeting. The co-chairs shall be responsible for circulating, finalizing

and agreeing upon on minutes of each meeting within [***] after the meeting date. Upon expiration of the final Research Term, the Research Committee shall be disbanded.

(b) Decision Making. The Research Committee shall operate by consensus but solely within the limits specified in this Section 2.2 (*Project Management*), it being understood that if the co-chairs cannot agree with regards to a specific matter within their decision-making authority, no decision of the Research Committee shall be deemed taken by the Research Committee. The Research Committee shall have the limited authority to amend the Research Plans in a manner not substantially affecting resources required to perform, timing for performance, or success criteria. Except for the limited authority set forth in this Section 2.2 (*Project Management*), the Research Committee shall not have any decision-making authority and in no event shall the Research Committee shall have the power to amend or waive compliance with this Agreement.

(c) Alliance Managers. Each Party shall designate in writing within [***] after signing this Agreement an "Alliance Manager" to be the primary contact for such Party. The Alliance Manager shall be responsible for managing communications between the Parties with respect to a Research Program, including responsibility for scheduling teleconferences and coordinating Research Committee meetings. Alliance Managers may also be members of the Research Committee.

2.3 Reports; Records.

(a) By Adimab. During the applicable Research Term, at the junctures specified in the applicable Research Plan, Adimab shall provide written reports to Flame regarding the Research Plan. Notwithstanding the foregoing or anything express or implied anywhere in this Agreement, Adimab shall not be required to disclose any Adimab Platform Technology or Adimab Platform Technology Improvements to Flame. Adimab shall maintain records, in reasonable scientific and technical detail and in a manner appropriate for patent purposes, which shall be complete and accurate and shall fully and properly reflect all work done and results achieved in the performance of a Research Program. In the event that such records and data include disclosure of Adimab Platform Technology or Adimab Platform Technology Improvements, Adimab may redact those portions that would disclose Adimab Platform Technology or Adimab Platform Technology Improvements prior to any review or inspection by Flame.

(b) By Flame. During the applicable Research Term, at the junctures set forth in the applicable Research Plan, Flame shall provide written reports to Adimab which provide any data Flame is required to provide under the applicable Research Plan.

2.4 Use of Adimab Materials. With respect to each Target, Flame shall only use Adimab Materials (a) as is necessary to conduct a Research Program during the Research Term and the Evaluation Term, (b) pursuant to the license granted under Section 3.1(a) (*Research License to Flame*) of this Agreement while such license is in effect, (c) to generate and test Program-Benefited Antibodies in accordance with Section 9.3 (*Commitments Regarding Program-Benefited Antibodies*) and (d) in connection with the exercise of its rights under Section 3.2(b). Flame shall not use Adimab Materials for any other purposes. For clarity, this means that, except as specified pursuant to the foregoing sentence, Flame shall not (i) provide Adimab

Materials to any Third Party, or (ii) use any Program-Benefited Antibodies or Adimab Materials, or information related thereto (including the sequences thereof), for any purpose other than to research and develop antibodies that will be milestone- and royalty-bearing to Adimab hereunder. For clarity, the "sequence" of an antibody includes the amino acid sequence of the antibody and the corresponding nucleic acid sequences. Adimab acknowledges and agrees that upon receipt of Program Antibodies, Flame may conduct testing on such Program Antibodies to optimize such Program Antibodies (and, to avoid doubt, the optimized versions thus created shall be Program-Benefited Antibodies).

Adimab retains title to the Adimab Materials, including all quantities of Program Antibodies that it provides under a Research Program, including during the Evaluation Term. Such quantities of Program Antibodies are (i) for use solely in assessing whether to exercise the Option for the applicable Target, and (ii) shall not be used in humans or for any commercial purpose. Should Flame not exercise its Option as described in Section 3.2(a) (*Option*), Flame shall return to Adimab or destroy any Program-Benefitted Antibodies in its possession on expiration of the Evaluation Term for such Target. Without limiting the generality of the foregoing, during the Evaluation Term and after expiration of the Options, if unexercised, Flame shall not provide Program-Benefitted Antibodies to Third Parties. Notwithstanding the foregoing, should Flame exercise the Option for a given Target, all right, title and interest in and to those Program-Benefitted Antibodies shall belong to and vest in Flame (subject to the terms and conditions of this Agreement with respect to Program-Benefited Antibodies, including Section 9.3 (*Commitments Regarding Program-Benefited Antibodies*) hereof).

2.5 Use of Flame Materials. Adimab shall use the Flame Materials solely to perform the Research Program for the applicable Target. Adimab shall not transfer or otherwise provide the Flame Materials to any Third Party. Adimab shall not use Flame Materials for any other purposes. For clarity, this means that, except as specified pursuant to the foregoing sentence, Flame retains title to the Flame Materials that it provides under a Research Program. [***] after the Research Term for such Target ends, Adimab will return to Flame or destroy any remaining Flame Materials (at Flame's direction).

2.6 Certain Restrictions on the Use of Antibodies.

(a) Adimab Restrictions. Adimab shall not provide any Third Party with any Program Antibody delivered to Flame. Adimab shall not deliver to Flame as a Program Antibody any antibody previously delivered to a Third Party.

To avoid doubt and notwithstanding anything to the contrary in this Agreement:

(i) nothing herein shall prevent Adimab from licensing or transferring some or all of the Adimab Platform Technology and/or Adimab Platform Technology Improvements to a Third Party (including technical support in connection therewith) nor shall anything herein require Adimab to in any way limit the use of the Adimab Platform Technology and/or Adimab Platform Technology Improvements by Adimab or a Third Party; and

(ii) nothing herein shall require Adimab to physically remove from its libraries, or to prevent from being included in future libraries, any Program-Benefited Antibodies.

Adimab hereby reserves the right for Adimab, its Affiliates, and those deriving rights from them (a) to include Program-Benefited Antibodies in antibody library(ies) transferred or licensed by Adimab to Third Parties (including the transfer of physical possession of samples of Program-Benefited Antibodies to a Third Party as part of such transactions) and (b) to conduct any activity with respect to Program-Benefited Antibodies that are not Optioned Antibodies if Adimab (or such other party) arrives at such Program-Benefited Antibodies independent from the activities performed under a Research Plan and in a manner fully compliant with Adimab's other covenants and obligations under this Agreement; *provided, however*, that, except as permitted by Section 6.7 (*Certain Data*) in no event shall Adimab disclose to any Third Party, or otherwise directly or indirectly exploit, any Confidential Information of Flame, including Confidential Information regarding the relationship between the Target and Program-Benefited Antibodies and the characterization of Program Antibodies by Adimab.

(b) Flame Restrictions. Flame hereby covenants that it, its Affiliates and its Licensees shall not [***].

ARTICLE 3

LICENSES; OPTION; DEVELOPMENT & COMMERCIALIZATION

3.1 Mutual Research Program Licenses.

(a) Research License to Flame. During the Research Term and Evaluation Term for each Research Program, Adimab hereby grants Flame a non-exclusive, non-sublicensable license with respect to the Target that is the subject of such Research Program under the Adimab Platform Patents and Program Antibody Patents to perform research in the Field, including for Flame to perform Flame's responsibilities under the Research Plan and this Agreement for such Target. For clarity, the license to Flame excludes the right to (i) discover or optimize antibodies using the Adimab Platform Technology or Adimab Platform Technology Improvements, or (ii) use Program-Benefited Antibodies or Adimab Materials to (a) screen for other antibodies' activity vis-à-vis the applicable Target or (b) design other antibodies (in the case of either (a) or (b), other than Program-Benefited Antibodies that will be milestone- and royalty-bearing to Adimab under this Agreement).

(b) Research License to Adimab. During the Research Term and Evaluation Term for each Research Program, Flame hereby grants to Adimab a non-exclusive, nontransferable (except in connection with a permitted assignment of this Agreement) license with respect to such Target under all Patents and Know-How Controlled by Flame which Cover the Targets (including any that so relate by claiming antibodies directed to the Targets or a mechanism of action via the Targets) or any Flame Materials provided to Adimab, solely to perform Adimab's responsibilities as provided for in the applicable Research Plan.

3.2 Commercial Rights.

(a) Option. On a Research Program-by-Research Program basis, Adimab hereby grants Flame the exclusive option (each, an "**Option**") to obtain the licenses of Section 3.2(b) (*Development and Commercialization License and Assignment*) for Program Antibodies discovered during a Research Program, exercisable on or before the expiry of the Evaluation Term by (i) payment of the applicable Option Fee with respect to such Research Program to Adimab and (ii) providing written notice to Adimab of such exercise specifying, with respect to such Research Program up to twenty-five (25) Program Antibodies as the "**Optioned Antibodies**."

(b) Development and Commercialization License and Assignment.

(i) Assignment. Adimab hereby, effective on Flame's exercise of the Option assigns to Flame, subject to the terms and conditions of this Agreement, all right, title and interest in and to Optioned Program Antibody Know-How and Optioned Program Antibody Patents.

(ii) License. Adimab hereby, effective on Flame's exercise of the Option grants to Flame a worldwide, royalty-bearing, sublicenseable (solely as provided in Section 3.2(b)(iii) (*Licensees*)) license under the Adimab Platform Patents, Program Antibody Know-How and Program Antibody Patents, if any, which are not assigned to Flame pursuant to Section 3.2(b)(i) (*Assignment*), in the Field, to research, develop, have developed, make, have made, use, sell, offer to sell, import and export the Optioned Antibodies and Products during the term of this Agreement. Such license shall be non-exclusive under the Adimab Platform Patents and exclusive under Program Antibody Know-How and the Program Antibody Patents. For clarity, the license to Flame excludes the right to (i) discover or optimize antibodies using the Adimab Platform Technology or Adimab Platform Technology Improvements, or (ii) use Program-Benefited Antibodies or Adimab Materials to (a) screen for other antibodies' activity vis-à-vis the applicable Target or (b) design other antibodies (in the case of either (a) or (b), other than Program-Benefited Antibodies that will be milestone- and royalty-bearing to Adimab under this Agreement).

(iii) Licensees. Any license of any Optioned Antibody and any sublicense of the rights granted under Section 3.2(b) (*Development and Commercialization License and Assignment*) shall be made solely pursuant to agreements ("**Sublicense Agreements**") that are consistent with all relevant terms and conditions of this Agreement and to Licensees who explicitly agree in writing to comply with all applicable terms of this Agreement, including Section 9.3 (*Commitments Regarding Program-Benefited Antibodies*) hereof. [***].

3.3 Diligent Development and Commercialization. Flame shall use Commercially Reasonable Efforts to clinically develop, seek Marketing Approval for, and launch and actively commercialize at least one (1) Program Antibody discovered in each Research Program for which it exercises the Option. [***], Flame will provide Adimab with a written report of Product progress in development and commercialization, Flame's activities in that regard. If requested by Adimab, Flame shall meet via teleconference with Adimab to discuss such report [***] at a time mutually agreed upon by Flame and Adimab.

3.4 No Implied Licenses. Other than the licenses, options and assignments explicitly set forth in this Article 3 (*Licenses; Option; Development & Commercialization*) or in Article 5 (*Intellectual Property*), neither Party grants any intellectual property licenses, options or assignments to the other Party under this Agreement. This Agreement does not create any implied licenses.

3.5 Covenant Not to Exceed License. Each Party hereby covenants that it shall not practice any Patent or item of Know-How licensed to it under this Agreement outside the scope of the license to such Party set forth in this Agreement (or any subsequent agreement between the Parties providing for an additional license under such Patent or item of Know-How). For the avoidance of doubt, Flame will not research, develop, manufacture or commercialize Optioned Antibodies except as Products under this Agreement.

3.6 Bankruptcy Code. If this Agreement is rejected by a Party as a debtor under Section 365 of the United States Bankruptcy Code or similar provision in the bankruptcy laws of another jurisdiction (the "Code"), then, notwithstanding anything else in this Agreement to the contrary, all licenses and rights to licenses granted under or pursuant to this Agreement by the Party in bankruptcy to the other Party are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code (or similar provision in the bankruptcy laws of the jurisdiction), licenses of rights to "intellectual property" as defined under Section 101(35A) of the United States Bankruptcy Code (or similar provision in the bankruptcy laws of the jurisdiction). The Parties agree that a Party that is a licensee of rights under this Agreement shall retain and may fully exercise all of its rights and elections under the Code, and that upon commencement of a bankruptcy proceeding by or against a Party under the Code, the other Party shall be entitled to a complete duplicate of, or complete access to (as such other Party deems appropriate), any such intellectual property and all embodiments of such intellectual property, if not already in such other Party's possession, shall be promptly delivered to such other Party (a) upon any such commencement of a bankruptcy proceeding upon written request therefor by such other Party, unless the bankrupt Party elects to continue to perform all of its obligations under this Agreement or (b) if not delivered under (a) above, upon the rejection of this Agreement by or on behalf of the bankrupt Party upon written request therefor by the other Party. The foregoing provisions of this Section 3.6 are without prejudice to any rights a Party may have arising under the Code.

ARTICLE 4

FINANCIAL TERMS.

4.1 Technology Access Fee. Flame will pay to Adimab a [***]

4.2 Research Stage Fees.

(a) Research Funding. For each Research Plan, Flame shall pay Adimab, [***].

(b) Technical Milestones.

(i) Technical Milestone I. [***]".

(ii) Technical Milestone II. [***].

4.3 Option Fee. In order to exercise the Option under Section 3.2(a) (*Option*) for a

Research Program, Flame shall pay to Adimab [***].

4.4 Milestone Payments.

(a) Milestone Events. On a Product-by-Product basis, Flame shall report in writing to Adimab the achievement of each event (each, a "**Milestone Event**") and pay the corresponding milestone payment (each, a "**Milestone Payment**") to Adimab, each [***] after the achievement of the corresponding Milestone Event in the following table:

Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]

Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

[***].

(b) Back-Up Candidates. In the event that a Milestone Event that was already achieved with respect to a Lead Product is also achieved with respect to a Back-Up Candidate to such Lead Product prior to receipt Marketing Approval for the Lead Product, then [***]. If Flame continues to develop such Back-Up Candidate after receipt of Marketing Approval for the Lead Product, [***]. If Flame promptly discontinues all development activities with respect to a Back-Up Candidate upon Marketing Approval of the Lead Product and provides Adimab with written notice thereof [***]. If Flame continues to develop such Back-Up Candidate after discontinuation of development of the Lead Product (but prior to Marketing Approval of such Lead Product), [***].

(c) CAR Products and Optimized Products. Notwithstanding the foregoing, Milestone Payments made with respect to CAR Products and Optimized Products shall [***].

4.5 Royalties.

(a) Royalty Payments. As to each Product sold during the applicable Royalty Term, on a Product-by-Product basis, Flame shall pay Adimab the following royalties, based on the royalty rate applicable to the relevant portion of annual worldwide Net Sales for such Product ("**Royalty Payments**"):

Portion of Worldwide Calendar Year Net Sales	**Royalty Rate**
[***]	[***]
[***]	[***]

(b) CAR Products and Optimized Products. Notwithstanding the foregoing, Royalty Payments made with respect to CAR Products and Optimized Products shall [***].

(c) Royalty Term. On a Product-by-Product and country-by-country basis, [***].

(d) Adjustment for Third Party IP. If Flame enters into any Third Party Patent Licenses, then [***]; *provided, however*, that in no event shall the royalty owed to Adimab [***]. It is understood, agreed and acknowledged that Adimab's allowing Flame to claim the credit of this Section 4.5(d) (*Adjustments for Third Party IP*) as to any particular Third Party Patent License: (a) does not mean Adimab believes that the licensed Patents were infringed or Cover any aspect of the discovery or optimization work by Adimab; (b) does not mean Adimab agrees with Flame's opinion as to the likelihood of success of a claim of such infringement or Coverage; (c) does not mean that Adimab believes Flame's opinion as to any of the foregoing is reasonable; and (d) is not, will not be, and shall not be under any circumstances construed as an admission of any kind. Adimab may have many reasons not to challenge any given assertion of the credit of this Section

4.5(d) (*Adjustment for Third Party IP*) by Flame, including: (1) maintaining good relations with a counterparty; (2) an assessment that the costs of the credit are outweighed by the benefits of Flame having a license in place that makes it feel comfortable to proceed with the Product (resulting in a greater likelihood of milestones and royalties being paid to Adimab); (3) resource limitations that make it impracticable to challenge Flame's assertion of such credit even though Adimab may disagree whether this is proper; and (4) other reasons other than thinking that the relevant Patents Cover or were infringed.

(e) No Challenge to Royalty Term. Flame, on behalf of itself, its Affiliates and its Licensees, hereby agrees not to challenge the length of the Royalty Term, including through the assertion that the Royalty Term should be reduced to [***]as a result of the lack of a Valid Claim Covering the relevant Product. [***].

4.6 Quarterly Payment Timings. All royalties due under Section 4.5 (*Royalties*) shall be paid [***] for which royalties are due.

4.7 Royalty Payment Reports. With respect to each [***], Flame shall provide to Adimab a written report stating the number and description of all Products sold [***]; the gross sales associated with such sales; and the calculation of Net Sales on such sales, including [***]. The report shall provide all such information on a country-by-country and Product-by-Product basis.

4.8 Payment Method. All payments due under this Agreement to Adimab shall be made by bank wire transfer in immediately available funds to an account designated by Adimab. All payments hereunder shall be made in the legal currency of the United States of America, and all references to "**$**" or "**dollars**" shall refer to United States dollars (i.e., the legal currency of the United States).

4.9 Taxes. The Parties agree to cooperate with one another and use reasonable efforts to minimize obligations for any and all income or other taxes required by applicable law to be withheld or deducted from any royalties, milestone payments or other payments made by Flame to Adimab under this Agreement, including [***]. To the extent that Flame is required to deduct and withhold taxes on any payment to Adimab, Flame shall deduct and withhold such taxes and pay the amounts of such 20

taxes to the proper government authority in a timely manner and [***]. Flame shall provide Adimab with reasonable assistance in order to allow Adimab to recover, as permitted by applicable law, withholding taxes, value added taxes or similar obligations resulting from payments made hereunder or to obtain the benefit of any present or future treaty against double taxation which may apply to such payments. Adimab shall provide Flame with any tax forms that may be reasonably necessary in order for Flame to not withhold tax or to withhold tax at a reduced rate under an applicable bilateral tax income treaty. Adimab shall use reasonable efforts to provide any such tax forms to Flame at least thirty (30) days prior to the due date identified by Flame for any payment for which Adimab desires that Flame apply a reduced withholding rate. Flame shall make all payments to Adimab from the United States.

4.10 Records; Inspection.

(a) Flame shall keep complete and accurate records of its sales and other dispositions (including use in clinical trials, or provision on a compassionate use basis or as marketing samples) of Program Antibody and Product including all records that may be necessary for the purposes of calculating all payments due under this Agreement.

(b) [***], Adimab has the right to retain an independent certified public accountant from a nationally recognized (in the U.S.) accounting firm to perform on behalf of Adimab an audit, conducted in accordance with U.S. generally accepted accounting principles (GAAP), of such books and records of Flame as are deemed necessary by the independent public accountant to report on Net Sales for the period or periods requested by Adimab and the correctness of any report or payments made under this Agreement.

(c) If the audit reveals an underpayment, [***]. If the audit reveals that an overpayment was made, such overpayment shall [***].

4.11 Licensee Reports, Records and Audits. Any agreements with Licensees shall include an obligation for the Licensee to (i) maintain records adequate to document and verify the proper payments (including milestones and royalties) to be paid to Adimab; (ii) provide reports with sufficient information to allow such verification; and (iii) allow an independent certified public accountant from a nationally recognized (in the U.S.) accounting firm appointed by Adimab to verify the payments due on behalf of Adimab.

4.12 Foreign Exchange. If any currency conversion shall be required in connection with the calculation of amounts payable hereunder, such conversion shall be made using the exchange rates reported on the [***] prior the payment due date for the purchase and sale of U.S. dollars, as reported by the Wall Street Journal. With any payment in relation to which a currency conversion is performed to calculate the amount of payment due, Flame shall

provide to Adimab a true, accurate and complete copy of the exchange rates used in such calculation.

4.13 Non-refundable, non-creditable payments. Each payment that is required under this Agreement is non-refundable and non-creditable except to the extent set forth in Section 4.5(d) (*Adjustment for Third Party IP*).

4.14 Late Payments. Any amount owed by Flame to Adimab under this Agreement that is not paid within the applicable time period set forth herein will [***].

ARTICLE 5

Intellectual Property.

5.1 Ownership and Inventorship.

(a) Program Patents and Program Know-How. Adimab shall solely own, regardless of inventorship, all Program Patents directed to Adimab Platform Technology Improvements and, prior to Option exercise, all Program Antibody Patents. Flame shall own, regardless of inventorship, from and after the date of Option exercise, those Optioned Program Antibody Patents that relate solely Optioned Antibodies and Adimab shall own all other Optioned Program Antibody Patents, subject to the terms and conditions of this Agreement. All Program Patents other than those referred to in the foregoing two (2) sentences shall be owned based on inventorship. Program Know-How that constitutes Adimab Platform Technology Improvements shall be owned by Adimab and all other Program Know-How shall be owned by the Party that created it.

(b) Other Patents. To avoid doubt, nothing in this Agreement shall alter the ownership of the Parties' pre-existing Patents. Section 5.1(a) (*Program Patents and Program Know-How*) speaks only to ownership of Program Patents.

(c) Inventorship. Inventorship for purposes of this Agreement, and all intellectual property-related definitions in this Agreement, shall be determined in accordance with United States patent law.

5.2 Implementation.

(a) Assignments. Each Party hereby assigns to the other Party Program Inventions, associated Patents, and Program Know-How as necessary to achieve ownership as provided in Section 5.1 (*Ownership and Inventorship*). Each assigning Party shall execute and deliver all documents and instruments reasonably requested by the other Party to evidence or record such assignment or to file for, perfect or enforce the assigned rights. Each assigning Party hereby appoints the other Party as attorney-in-fact solely to execute and deliver the foregoing documents and instruments if such other Party after making reasonable inquiry does not obtain them from the assigning Party. Each Party shall perform its activities under this Agreement

through personnel who have made a similar assignment and appointment to and of such Party. Each assigning Party shall make its relevant personnel (and their assignments and signatures on such documents and instruments) reasonably available to the other Party for assistance in accordance with this Article 5 (*Intellectual Property*) [***].

(b) Joint Ownership Implementation. As regards Joint Serendipitous Inventions and the Program Patents to the extent claiming them, either Party is entitled to practice and license them without consent of and without a duty of accounting to the other Party. Each Party hereby grants all permissions, consents and waivers with respect to, and all licenses under, the Joint Serendipitous Inventions and the Program Patents claiming them as necessary to achieve throughout the world the nature of joint ownership rights of the foregoing as described in Section 5.1 (*Ownership and Inventorship*) and the foregoing sentence. To avoid doubt, this Section 5.2(b) (*Joint Ownership Implementation*) does not imply any permission, consent or waiver with respect to, or license under, any Patent or item of Know-How other than the Joint Serendipitous Inventions and the Program Patents to the extent claiming them.

5.3 Disclosure. During the term of the Agreement, each Party shall promptly disclose to the other Party the making, conception or reduction to practice of any Program Inventions that would be Covered by Program Antibody Patents or in Flame's case that are Adimab Platform Technology Improvements (which, to avoid doubt, are assigned to Adimab under this Agreement). Such disclosure shall occur as soon as possible, but in any case [***]. To avoid doubt, this Section 5.3 (*Disclosure*) shall not be read to require Adimab to disclose Program Inventions constituting Adimab Platform Technology Improvements to Flame.

5.4 Program Patent Prosecution and Maintenance.

(a) Adimab Platform Technology. Adimab shall have the sole right (but not the obligation) to file, prosecute, maintain, defend and enforce all Program Patents directed to Adimab Platform Technology Improvements and all Adimab Platform Patents, all at its own expense.

(b) Program Antibody Patents. Flame shall have the sole and exclusive right to file, prosecute and maintain, defend and enforce all Program Antibody Patents, at Flame's expense, and prior to Option exercise, in Adimab's name, and after Option exercise, in Flame's name. Such right shall continue for the duration of the longer of the Evaluation Term and, if Flame exercises the Option, the Term. Such right shall include, following the exercise of the Option, having the exclusive right, but not the obligation, to, at its expense, initiate, prosecute, and control any action or legal proceedings, and/or enter into a settlement, including any declaratory judgment action, with respect to the Program Antibody Patents. In any such litigation brought by Flame with respect to the Program Antibody Patents, Flame shall have the right to join Adimab as a party to such litigation, and Adimab shall cooperate reasonably with respect thereto, as requested by Flame and at Flame's cost. The exercise of the right to file and prosecute the Program Antibody Patents shall be subject to all of the following:

(i) Prior to Option exercise, Flame shall not file any Program Antibody Patent that discloses the sequence of any Program Antibody unless such Program Antibody Patent can be prevented from publishing.

(ii) Prior to Option exercise, to the extent that individual Program Antibodies represent distinct patentable inventions, they shall be disclosed in separate applications and not as a group (e.g., as a filing on multiple patentable inventions), unless Adimab consents in its discretion in writing in advance to another approach.

(iii) Both prior to and after Option exercise, Adimab shall have the right to review and comment on prosecution of the Program Antibody Patents, and Flame shall provide Adimab with copies of all correspondence with patent offices relating thereto (including office actions and the like) promptly after receipt and drafts of all filings and correspondence with such offices no less than [***].

(iv) If Flame does *not* exercise the Option, then all Program Antibody Patents that had been filed (if any) shall be promptly abandoned without being published and within [***] after the Option expiring Flame shall make any and all filings necessary to result in such abandonment without publication (at Flame's expense) and provide documentation thereof to Adimab.

(v) If Flame *does* exercise the Option, then all Program Antibody Patents that had been filed for such Target that disclose Program Antibody sequences other than the sequences of Optioned Antibodies for that Target shall be promptly abandoned without being published and [***] after Option exercise Flame shall make any and all filings necessary to result in such abandonment without publication (at Flame's expense) and provide documentation thereof to Adimab.

(vi) Flame shall ensure that the sequences of Program Antibodies that are not Optioned Antibodies shall not become published through Program Antibody Patents.

(vii) If Flame *does* exercise the Option, then Flame shall prosecute at least one Optioned Program Antibody Patent in the United States, Japan and Europe, and such other countries as are required to be consistent with the Commercially Reasonable Efforts standard.

(viii) Flame shall be [***].

(c) Responsibility. It is understood and agreed that searching for, identification and evaluation of Third-Party Patents that may apply to any Program Antibodies based on sequence, Target or the like is the responsibility of Flame, and that Adimab shall have no responsibility for the foregoing nor liability if any such Third-Party Patents exist.

(d) Serendipitous Program Inventions.

(i) Adimab Program Inventions. As between the Parties, Adimab shall have the sole right, at its sole expense and in its sole discretion, to prepare, file, prosecute,

enforce and maintain (including conducting or participating in interferences and oppositions) all Patents directed to Adimab Program Inventions but not falling within the Optioned Program Antibody Patents or the Adimab Platform Technology Improvements (which, to avoid doubt, are both addressed above).

(ii) Flame Program Inventions. Flame shall be responsible, [***], to prepare, file, prosecute, enforce and maintain (including conducting or participating in interferences and oppositions) all Program Patents on Flame Program Inventions, other than Optioned Program Antibody Patents and Adimab Platform Technology Improvements (which, to avoid doubt, are both addressed above).

(iii) Serendipitous Joint Program Inventions. The Parties shall mutually agree which of them shall be responsible for either using its in-house patent attorneys or through mutually agreed upon outside counsel to prepare, file, prosecute, enforce and maintain Program Patents on Joint Serendipitous Inventions, and [***].

5.5 Patent Term Restoration. The Parties shall cooperate with each other, including by providing necessary information and assistance as the other Party may reasonably request, to obtain patent term restoration or supplemental protection certificates or their equivalents in any country where applicable to Patents Covering the Product. If elections with respect to obtaining such patent term restoration are to be made with respect to such Patents, and the Parties do not agree, Flame shall have the right to make the election and Adimab agrees to abide by such election, except that if Flame does not elect to extend any such Patent where it would have been possible to do so, [***].

5.6 Cooperation of the Parties. At the reasonable request of the responsible (as provided for in this Article 5 (*Intellectual Property*)) Party, the other Party agrees to cooperate fully in the preparation, filing, prosecution, enforcement and maintenance of any Program Patents under this Agreement. Such cooperation includes executing all papers and instruments (or causing its personnel to do so) reasonably useful to enable the other Party to apply for and to prosecute patent applications in any country; and promptly informing the other Party of any matters coming to such Party's attention that may affect the preparation, filing, prosecution, enforcement or maintenance of any such Patents. Adimab shall not be required pursuant to this Section 5.6 (*Cooperation of the Parties*) to disclose Adimab Platform Technology to Flame.

ARTICLE 6

CONFIDENTIALITY; PUBLICITY.

6.1 General Confidentiality Obligations.

(a) Any and all information disclosed or submitted in writing or in other tangible form to one Party by the other Party under this Agreement is the "**Confidential Information**" of the disclosing Party. In addition, information embodied in Adimab Materials is

Adimab's Confidential Information, and information embodied in the Flame Materials is Flame's Confidential Information.

(b) To avoid doubt, sequence information (whether as to amino acid sequence or nucleic acid sequence) with respect to Program Antibodies shall be deemed the Confidential Information of Adimab, except that from and after the date of Option exercise, the sequence information as to the CDRs of Optioned Antibodies shall be Confidential Information of Flame. For clarity, either Party shall be entitled to disclose the non-CDRs of the Optioned Antibodies.

(c) Each Party shall receive and maintain the other Party's Confidential Information in strict confidence. Neither Party shall disclose any Confidential Information of the other Party to any Third Party. Neither Party shall use the Confidential Information of the other Party for any purpose other than as required to perform its obligations or exercise its rights hereunder. Each Party may disclose the other Party's Confidential Information to the receiving Party's officers, directors, employees, Affiliates, agents, representatives and contractors requiring access thereto for the purposes of this Agreement, *provided, however*, that prior to making any such disclosures, each such person shall be bound by terms at least as restrictive as those hereof to maintain Confidential Information in confidence and not to use such information for any purpose other than in accordance with the terms and conditions of this Agreement. Each Party agrees to take all steps necessary to ensure that the other Party's Confidential Information shall be maintained in confidence including such steps as it takes to prevent the disclosure of its own proprietary and confidential information of like character. Each Party agrees that this Agreement shall be binding upon its officers, directors, employees, Affiliates, agents, representatives and contractors involved in the Research Program. Each Party shall take all steps necessary to ensure that its officers, directors, employees, Affiliates, agents, representatives and contractors shall comply with the terms and conditions of this Agreement. The foregoing obligations of confidentiality and non-use shall survive, and remain in effect for a period [***] from, the termination or expiration of this Agreement in accordance with Article 9 (*Term*).

6.2 Exclusions from Nondisclosure Obligation. The nondisclosure and nonuse obligations in Section 6.1 (*General Confidentiality Obligations*) shall not apply to any Confidential Information to the extent that the receiving Party can establish by competent written proof that it:

(a) at the time of disclosure is publicly known;

(b) after disclosure, becomes publicly known by publication or otherwise, except by breach of this Agreement by such Party;

(c) was in such Party's possession at the time of the earlier of disclosure hereunder and disclosure under the agreement referred to in Section 6.1 (*General Confidentiality Obligations*);

(d) is received by such Party from a Third Party who has the lawful right to disclose the Confidential Information and who shall not have obtained the Confidential Information either directly or indirectly from the disclosing Party; or

(e) is independently developed by such Party (i.e., without reference to Confidential Information of the disclosing Party).

6.3 Required Disclosures. If either Party is required, pursuant to a governmental law, regulation or order, to disclose any Confidential Information of the other Party, the receiving Party (i) shall give advance written notice to the disclosing Party, (ii) shall make a reasonable effort to assist the other Party to obtain a protective order requiring that the Confidential Information so disclosed be used only for the purposes for which the law or regulation required and (iii) shall use and disclose the Confidential Information solely to the extent required by the law or regulation.

6.4 Terms of Agreement. The terms of this Agreement are the Confidential Information of both Parties. However, each Party shall be entitled to disclose the terms of this Agreement under legally binding obligations of confidence and limited use to: legal, financial and investment banking advisors; and potential and actual investors, acquirers and licensees or sublicensees doing diligence and counsel for the foregoing. In addition, if legally required, a copy of this Agreement may be filed by either Party with the SEC (or relevant ex-U.S. counterpart). In that case, the filing Party will if requested by the other Party diligently seek confidential treatment for terms of this Agreement for which confidential treatment is reasonably available, and shall provide the non-filing Party reasonable advance notice of the terms proposed for redactions and a reasonable opportunity to request that the filing Party make additional redactions to the extent confidential treatment is reasonably available under the law. The filing Party shall seek and diligently pursue such confidential treatment requested by the non-filing Party.

6.5 Return of Confidential Information. Promptly after the termination or expiration of this Agreement for any reason, each Party shall return to the other Party all tangible manifestations of such other Party's Confidential Information at that time in the possession of the receiving Party.

6.6 Publicity. Either Party may make an initial press release announcing the execution of this Agreement, but such Party shall provide the text of such planned disclosure to the other Party sufficiently in advance of the scheduled disclosure to afford such other Party reasonable opportunity to review and comment upon the proposed text and the timing of such disclosure, and shall consider all reasonable comments of the other Party regarding such disclosure; *provided, howeve*r, that no Party shall use the trademark or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or public disclosure relating to this Agreement or its subject matter, except as may be required by Law or required by the rules of an applicable US national securities exchange or except with the prior express written permission of such other Party, such permission not be unreasonably withheld. Other than repeating information in any mutually agreed press release, neither Party will generate or allow any further publicity regarding this Agreement or the transaction or research contemplated hereunder in which the other Party is identified, without giving the other Party the opportunity to review and comment on the press release. The Parties recognize the importance of announcing Option and the achievement of Milestones, and that Adimab is entitled to disclose these occurrences. Accordingly, the Parties hereby agree that each such event shall be publicly announced by the Parties if requested by Adimab, and the Parties shall mutually agree upon the text of a press release to announce each such event. Flame shall not unreasonably withhold its consent to the manner in which Adimab proposes to make such disclosure. It is understood and agreed that Adimab

sometimes issues press releases that group multiple achievements of the company, and that if Adimab chooses to group the initially approved text or the announcement of Option exercise and/or a milestone achievement under this Agreement with other accomplishments or events not relating to this Agreement, then the only portion of the press release into which the Flame shall have a consent right (such consent not to be unreasonably withheld), shall be those portions that relate to this Agreement.

6.7 Certain Data. Notwithstanding this Article 6 (*Confidentiality; Publicity*), without disclosing Flame's identity or the identity of the Target (although the class of protein of the Target may be disclosed), or the sequence of any Program Antibody, in order to describe the general capabilities and performance of the Adimab platform, Adimab shall be entitled to disclose generally Program Antibody attributes and Program Know-How, including the following: (a) Program Antibody binding affinities (kD), (b) expression range regarding Program Antibodies, and (c) germline distribution of Program Antibodies.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES.

7.1 Mutual Representations. Each of Adimab and Flame hereby represents and warrants to the other of them that the representing and warranting Party is duly organized in its jurisdiction of incorporation; that the representing and warranting Party has the full power and authority to enter into this Agreement; that this Agreement is binding upon the representing and warranting Party; that this Agreement has been duly authorized by all requisite corporate action within the representing and warranting Party; and that the execution, delivery and performance by the representing and warranting Party of this Agreement and its compliance with the terms and conditions hereof does not and shall not conflict with or result in a breach of any of the terms and conditions of or constitute a default under (a) any agreement or other instrument binding or affecting it or its property, (b) the provisions of its bylaws or other governing documents or (c) any order, writ, injunction or decree of any governmental authority entered against it or by which any of its property is bound.

7.2 Representations of Adimab. **Adimab**. Adimab hereby represents, warrants and covenants to Flame that, as of the Effective Date:

(a) There are no complaints filed in court or, to Adimab's knowledge, otherwise threatened, in each case pending relating to Adimab Platform Patents which, if decided in a manner adverse to Adimab, would materially affect Adimab's practice of the Adimab Platform Technology as contemplated by this Agreement.

(b) There are no judgments or settlements against Adimab or its Affiliates or to which they are Party which will materially affect Adimab's practice of the Adimab Platform Technology as contemplated in this Agreement. Adimab is not party to any settlement discussions that, if concluded as of the Effective Date, would result in a settlement which would materially affect Adimab's practice of the Adimab Platform Technology as contemplated in this Agreement.

(c) To Adimab's knowledge, the conception, development and reduction to practice of the Adimab Platform Technology, as it exists on the Effective Date, have not constituted or involved the misappropriation of trade secrets, know-how or similar rights or property of any person.

(d) In Adimab's reasonable judgment, the practice of the Adimab Platform Technology as practiced by Adimab as of the Effective Date, does not infringe a valid, issued Patent owned by a Third Party of which Adimab has knowledge.

(e) Adimab has the right to grant to Flame the licenses set forth in Section 3.1 and 3.2;

(f) Notwithstanding the foregoing, Adimab specifically excludes any representations with respect to any Excluded Technology.

7.3 DISCLAIMER OF WARRANTIES. OTHER THAN THE EXPRESS WARRANTIES OF SECTION 7.1 (MUTUAL REPRESENTATIONS) AND SECTION 7.2 (REPRESENTATIONS OF ADIMAB), EACH PARTY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR THAT ANY PRODUCTS DEVELOPED UNDER THIS AGREEMENT ARE FREE FROM THE RIGHTFUL CLAIM OF ANY THIRD PARTY, BY WAY OF INFRINGEMENT OR THE LIKE OR THAT ANY PROGRAM PATENTS WILL ISSUE OR BE VALID OR ENFORCEABLE.

ARTICLE 8

INDEMNIFICATION

8.1 Indemnification by Adimab. Adimab hereby agrees to indemnify, defend and hold harmless (collectively, "**Indemnify**") Flame, its Affiliates and its and their directors, officers, agents and employees (collectively, "**Flame Indemnitees**") from and against any and all liability, loss, damage or expense (including without limitation reasonable attorneys' fees) (collectively, "**Losses**") they may suffer as the result of Third-Party claims, demands and actions (collectively, "**Third-Party Claims**") arising out of or relating to (a) any breach of a representation or warranty made by Adimab under Article 7 (*Representations and Warranties*), (b) Flame's use of any Adimab's Materials (other than Program Antibodies), (c) following termination of this Agreement pursuant to Section 9.2, Adimab's, or its Affiliates' or Licensees' research, testing, development, manufacture, use, sale, distribution, licensing and/or commercialization of Program Antibodies and/or Products (or Program-Benefited Antibodies or products incorporating them) and (d) contractual obligations of Adimab and its Affiliates, except in each case to the extent of any Losses (i) attributable to the negligence or intentional misconduct of any Flame Indemnitee, or (ii) arising out of any breach of a representation or warranty made by Flame in Article 7 (*Representations and Warranties*).

8.2 Indemnification by Flame. Flame hereby agrees that it and its Licensees shall Indemnify Adimab, its Affiliates and its and their directors, officers, agents and employees (collectively, "**Adimab Indemnitees**") from and against any and all Losses they may suffer as the

result of Third-Party Claims arising out of or relating to (a) any breach of a representation or warranty made by Flame under Article 7 (*Representations and Warranties*), (b) Flame's research, testing, development, manufacture, use, sale, distribution, licensing and/or commercialization of Program Antibodies and/or Products (or Program-Benefited Antibodies or products incorporating them), (c) Adimab's use of any Flame Materials, (d) the use by Flame or its Licensees of any Excluded Technology, and (e) contractual obligations of Flame and its Affiliates, except in each case to the extent of any Losses (i) attributable to the negligence or intentional misconduct of any Adimab Indemnitee, or (ii) arising out of any breach of a representation or warranty made by Adimab in Article 7 (*Representations and Warranties*).

8.3 Indemnification Procedures. Each of the foregoing agreements to Indemnify is conditioned on the relevant Adimab Indemnitees or Flame Indemnitees (i) providing reasonable assistance in the defense of such claim at the indemnifying Party's reasonable expense, and (ii) not compromising or settling such Third-Party Claim without the indemnifying Party's advance written consent. If the Parties cannot agree as to the application of the foregoing Sections 8.1 (*Indemnification by Adimab*) and 8.2 (*Indemnification by Flame*), each may conduct separate defenses of the Third-Party Claim, and each Party reserves the right to claim indemnity from the other in accordance with this Article 8 (*Indemnification*) upon the resolution of the underlying Third-Party Claim.

8.4 Limitation of Liability. EXCEPT TO THE EXTENT SUCH PARTY MAY BE REQUIRED TO INDEMNIFY THE OTHER PARTY UNDER THIS ARTICLE 8 (INDEMNIFICATION) OR AS REGARDS A BREACH OF A PARTY'S RESPONSIBILITIES PURSUANT TO ARTICLE 6 (CONFIDENTIALITY; PUBLICITY), NEITHER PARTY NOR ITS RESPECTIVE AFFILIATES SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES HEREUNDER, WHETHER IN CONTRACT, WARRANTY, TORT, STRICT LIABILITY OR OTHERWISE.

ARTICLE 9

TERM.

9.1 Term. The term of this Agreement shall commence on the Effective Date and shall expire [***], unless earlier terminated by a Party as set forth below in this Article 9 (*Term*).

9.2 Material Breach. Either Party may terminate this Agreement for the material breach of this Agreement by the other Party, if such breach remains uncured [***]following notice from the non-breaching Party to the breaching Party specifying such breach.

9.3 Commitments Regarding Program-Benefited Antibodies. If Flame or any of its Licensees researches, develops, manufactures, or commercializes any Program-Benefited Antibody, they shall [***].

If this Agreement expires or terminates (other than an expiration under Section 9.1 following an Option exercise after all applicable Royalty Terms have expired), Flame and its Licensees (a) shall not research, develop or commercialize any Program-Benefited Antibody or Product containing such an antibody except as a Product under this Agreement, (b) shall not license or otherwise grant rights to any entity to do the foregoing, and (c) shall not practice, license or assign to a Third Party, option to a Third Party or covenant not to sue a Third Party with respect to Program Antibody Patents (regardless of inventorship), Program-Benefited Antibodies, or products containing them.

9.4 Survival in All Cases. Termination of this Agreement shall be without prejudice to or limitation on any other remedies available to nor any accrued obligations of either Party. In addition, Sections 2.3 (*Reports; Records*), 2.4 (*Use of Adimab Materials*), 2.5 (*Use of Flame Materials*), 2.6 (*Certain Restrictions on the Use of Antibodies*), 3.4 (*No Implied Licenses*), 3.5 (*Covenant Not to Exceed License*), 4.6 (*Quarterly Payment Timings*) through 4.14 (*Late Payments*) (with respect to payment obligations outstanding or having accrued as the effective date of termination or expiration), 5.1 (*Ownership and Inventorship*), 5.2 (*Implementation*), 5.4 (*Program Patent Prosecution and Maintenance*), 5.6 (*Cooperation of the Parties*), and 7.3 (*Disclaimer of Warranties*), and Articles 1 (*Definitions*), 6 (*Confidentiality; Publicity*), 8 (*Indemnification*), 9 (*Term*) and 10 (*Miscellaneous*) shall survive any expiration or termination of this Agreement.

9.5 Return of Adimab Materials. Flame shall either return to Adimab or destroy all Adimab Materials (other than Adimab Materials relating to Optioned Antibodies) Target upon expiration or termination of the Evaluation Term without the Option being exercised, and all Adimab Materials on expiration or termination of this Agreement.

9.6 Additional Effects of Termination. If Adimab terminates this Agreement pursuant to Section 9.2 for Flame's uncured material breach, then : (a) Flame and its Affiliates would assign to Adimab all right, title and interest in and to the Program Patents, Program Know-How, all data with respect to Program-Benefited Antibodies, and all producing cell lines for Program-Benefited Antibodies (the "**Program Assets**"); (b) Flame and its Affiliates would transfer such cell lines to Adimab (under conditions intended to ensure their viability) along with all master batch records and SOPs for production of such antibodies (the "**Tangible Assets**"); (c) Flame and its Affiliates would transfer all filings with regulatory authorities with respect to Program-Benefited Antibodies to Adimab if Adimab so requests (the "**Regulatory Assets**" and, together with the Program Assets and Tangible Assets, the "**Transferred Assets**"); and (d) Adimab shall pay Flame a royalty equal based on the date of termination of this Agreement as set forth below.

Effective Date of Termination	Royalty Rate
[***]	[***]

[***]	[***]
[***]	[***]

For purposes of this Section 9.6 (*Additional Effects of Termination*), Sections 4.5 (*Royalties*) through 4.14 (*Late Payments*), the definition of Net Sales and all other defined terms (including their respective definitions) in such Sections shall apply mutatis mutandis to the Adimab's obligations to pay royalties under this Section 9.6 and each reference in each such Section (and any related definitions) to (i) Adimab shall be deemed to be a reference to Flame, (ii) Flame shall be deemed to be a reference to Adimab and (iii) a Licensee shall be deemed to be a reference to a licensee or sublicensee of Adimab or any of its Affiliates with respect to the Product. Any license of any Transferred Assets shall be made solely pursuant to written agreements ("**License Agreements**") that are consistent with all relevant terms and conditions of this Agreement and to Licensees who explicitly agree in writing to comply with all applicable terms of this Agreement. Adimab shall [***]. Adimab shall not (i) assign or transfer the Transferred Assets (in whole or in part) to any third party unless (a) such transfer or assignment is pursuant to a binding written agreement pursuant to which such third party to be bound by the terms of this Section 9.6 (*Additional Effects of Termination*)and (b) such agreement provides that Flame is a third party beneficiary thereof for the purposes of enforcing its rights under this Section 9.6 and (ii) take any action avoid the payment obligations under this Section 9.6 (*Additional Effects of Termination*) or to circumvent or frustrate the purposes of this Section 9.6 (*Additional Effects of Termination*). Flame shall not (i) assign or transfer the Program-Benefited Antibodies or Products (in whole or in part) to any third party unless (a) such transfer or assignment is pursuant to a binding written agreement pursuant to which such third party to be bound by the terms of Article 4 (*Financial Terms*) and (b) such agreement provides that Adimab is a third party beneficiary thereof for the purposes of enforcing its rights under Article 4 (*Financial Terms*) and (ii) take any action avoid the payment obligations under this Agreement or to circumvent or frustrate the purposes of Article 4 (*Financial Terms*).

9.7 Survival of Sublicenses. Notwithstanding any provision herein to the contrary, in the event (a) Flame has entered into any Sublicense Agreements consistent with the terms of this Agreement, (b) this Agreement is terminated, and (c) such Sublicense Agreements are in effect at the time of such termination, such Sublicense Agreement will survive such termination, with Adimab as the Licensee's direct licensor solely with respect to rights sublicensed pursuant to this Agreement, provided that [***].

ARTICLE 10

MISCELLANEOUS.

10.1 Independent Contractors. The Parties shall perform their obligations under this Agreement as independent contractors. Nothing contained in this Agreement shall be construed to be inconsistent with such relationship or status. This Agreement and the Parties' relationship in connection with it shall not constitute, create or in any way be interpreted as a joint venture, fiduciary relationship, partnership or agency of any kind.

10.2 Dispute Resolution.

(a) Initial Dispute Resolution. Either Party may refer any dispute in connection with this Agreement ("**Dispute**") not resolved by discussion of the BD/Contract Liaisons to senior executives of the Parties (for Adimab, its CEO or his designee and for Flame, its CEO or his designee) for good-faith discussions over a period of [***] (the "**Senior Executives Discussions**"). Each Party will make its executives reasonably available for such discussions.

(b) Disputes Not Resolved Between the Parties. If the Parties are unable to resolve the dispute through the Senior Executives Discussions within such [***], then either Party may, as the sole and exclusive means for resolving disputes under this Agreement, proceed to demand confidential arbitration by written notice to the other Party and making a filing with the AAA in accordance with Section 10.2(c) (*Arbitration*). For clarity, each Party hereby acknowledges that both the fact of and nature of a dispute is the Confidential Information of both Parties, and any disclosure of the fact of or the nature of such a dispute would be highly damaging to the non-disclosing Party.

(c) Arbitration.

(i) Any Dispute referred for arbitration shall be finally resolved by binding arbitration in accordance with the most applicable rules of the American Arbitration Association ("**AAA**") and judgment on the arbitration award may be entered in any court having jurisdiction.

(ii) The arbitration shall be conducted by a panel of three (3) people experienced in the business of biopharmaceuticals. If the issues in dispute involve scientific, technical or commercial matters, then any arbitrator chosen under this Agreement shall have educational training and/or industry experience sufficient to demonstrate a reasonable level of relevant scientific, technical and commercial knowledge as applied to the pharmaceutical industry. If the issues in dispute involve patent matters, then at least one (1) of the arbitrators shall be a licensed patent attorney or otherwise knowledgeable about patent law matters. [***] after a Party demands arbitration, each Party shall select one person to act as arbitrator, and the two Party-selected arbitrators shall select a third arbitrator [***] after their own appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, then the third arbitrator shall be appointed by the AAA. The place of arbitration shall be New York, NY. All proceedings and communications as part of the arbitration shall be in

English. Following selection of the third arbitrator, the arbitrators shall complete the arbitration proceedings and render an award [***] after the last arbitrator is appointed.

(iii) Each Party shall bear its own costs and expenses and attorneys' fees and an equal share of the arbitrators' fees and any administrative fees or arbitration, unless in each case the arbitrators agree otherwise, which they are hereby empowered, authorized and instructed to do if they determine that to be fair and appropriate.

(iv) Except to the extent necessary to confirm an award or as may be required by law, regulation, or the requirement of any exchange on which a Party's shares are traded, neither Party shall disclose the existence, content or results of an arbitration under this Agreement without the prior written consent of the other Party.

(v) In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the subject matter of the Dispute would be barred by the applicable statute of limitations under New York law.

10.3 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware, excluding its conflicts of laws principles.

10.4 Entire Agreement. This Agreement (including its Exhibits) set forth all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties with respect to the subject matter hereof and supersedes and terminates all prior agreements and understandings between the Parties with respect to such subject matter. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by the respective authorized officers of the Parties.

10.5 Assignment. Neither Party may assign in whole or in part this Agreement without the advance written consent of the other Party, except as set forth in the following sentence. Either Party may assign this Agreement in its entirety to an Affiliate at any time or to a successor to all or substantially all of its stock or assets to which this Agreement relates in connection with its merger with, or the sale of all or substantially all of its stock or assets to which this Agreement relates to, another entity, regardless of the form of the transaction. In addition, Adimab may assign this Agreement or any of its rights under this Agreement, in connection with the sale of, monetization of, transfer of, or obtaining financing on the basis of the payments due to Adimab under this Agreement or debt or project financing in connection with this Agreement; *provided, however*, that in such case Adimab shall remain liable for the performance of all of its assignee's obligations hereunder as if Adimab has not assign this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. Notwithstanding the foregoing, Adimab may not assign or otherwise transfer (by operation of law or otherwise) this Agreement if the assignee does not assume all of Adimab's obligations under this Agreement or Adimab does not remain bound to perform all obligations that are not assigned to the assignee. Any assignment of this Agreement not made in accordance with this Agreement is prohibited hereunder and shall be null and void.

10.6 Severability. If one or more of the provisions in this Agreement are deemed unenforceable by law, then such provision shall be deemed stricken from this Agreement and the remaining provisions shall continue in full force and effect.

10.7 Force Majeure. Both Parties shall be excused from the performance of their obligations under this Agreement to the extent that such performance is prevented by a Force Majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting Force Majeure continues and the nonperforming Party takes reasonable efforts to remove the condition, but no longer [***]. For purposes of this Agreement,

10.8 Notices. Any notice required or permitted to be given under this Agreement shall be in writing, shall specifically refer to this Agreement and shall be deemed to have been sufficiently given for all purposes if mailed by first class certified or registered mail, postage prepaid, delivered by express delivery service or personally delivered. Unless otherwise specified in writing, the mailing addresses of the Parties shall be as described below.

If to Adimab:

Adimab, LLC
7 Lucent Drive
Lebanon, NH 03766
Attention: General Counsel

with a required copy to:

Attention: Head, Business Development at the same address.

In the case of Flame:

Flame Biosciences, Inc.
555 Madison Ave., Suite 1201
New York, NY 10022
Attn: Chief Operating Officer

with a required copy to:

Attention: Head, Business Development at the same address.

10.9 Construction. This Agreement has been prepared jointly and shall not be strictly construed against either Party. Ambiguities, if any, in this Agreement shall not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision.

10.10 Headings. The headings for each article and section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on, nor to be used to interpret, the meaning of the language contained in the particular article or section.

10.11 No Waiver. Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the subsequent enforcement of its rights under this Agreement, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time executed by an authorized officer of the waiving Party.

10.12 Performance by Affiliates. A Party may perform some or all of its obligations under this Agreement through Affiliate(s) or may exercise some or all of its rights under this Agreement through Affiliates. However, each Party shall remain responsible and be guarantor of the performance by its Affiliates and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance as if such Party were performing such obligations itself, and references to a Party in this Agreement shall be deemed to also reference such Affiliate. In particular and without limitation, all Affiliates of a Party that receive Confidential Information of the other Party pursuant to this Agreement shall be governed and bound by all obligations set forth in Article 6 (*Confidentiality; Publicity*), and shall (to avoid doubt) be subject to the intellectual property assignment and other intellectual property provisions of Article 5 (*Intellectual Property*) as if they were the original Party to this Agreement (and be deemed included in the actual Party to this Agreement for purposes of all intellectual property-related definitions). A Party and its Affiliates shall be jointly and severally liable for their performance under this Agreement.

10.13 Counterparts. This Agreement may be executed in one or more identical counterparts, each of which shall be deemed to be an original, and which collectively shall be deemed to be one and the same instrument. In addition, signatures may be exchanged by facsimile or PDF.

[Remainder of Page Left Intentionally Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Parties have by duly authorized persons executed this Agreement as of the Effective Date.

EXHIBITS LIST

A – TARGET QUESTIONNAIRE

B – FORM OF RESEARCH PLAN

Exhibit 10.5

SECOND AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT

This Second Amendment (the "***Amendment***") to Executive Employment Agreement is made and entered into as of this 3rd day of April, 2023 (the "***Amendment Date***"), by and between Leap Therapeutics, Inc., a Delaware corporation (the "***Company***"), and John Mark O'Mahony (hereinafter, the "***Executive***").

WITNESSETH:

WHEREAS, the Company currently employs the Executive as the Chief Manufacturing Officer of the Company pursuant to that certain Executive Employment Agreement, dated as of April 10, 2020, between the Company and the Executive (the "***Agreement***").

WHEREAS, the Company desires to amend the terms of the Agreement effective as of the Amendment Date, on the terms herein described.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and the Executive hereby agree as follows:

1. ***Amendment of Section 1(r)***. The Agreement is hereby amended by deleting Section 1(r) thereof and replacing it with the the following:

"(r) "***Severance Amount***" shall mean an amount equal to one hundred percent (100%) of the Executive's annualized Base Salary, as in effect immediately prior to the Termination Date."

2. ***Amendment of Section 6(e)***. The Agreement is hereby amended by deleting Section 6(e) thereof and replacing it with the following:

"(e) ***Termination Without Cause or Resignation With Good Reason***. The Company may terminate the Term of Employment without Cause, and the Executive may terminate the Term of Employment for Good Reason, at any time upon written notice, and upon compliance with Section 6(g) below. If the Term of Employment is terminated by the Company without Cause (other than due to the Executive's death or Disability) or by the Executive for Good Reason, the Executive shall be entitled to the following:

(i) The Accrued Obligations, payable as and when those amounts would have been paid had the Term of Employment not ended;

(ii) The Severance Amount, payable in equal installments consistent with the Company's normal payroll schedule over the twelve (12) month period beginning with the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date; and

(iii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and her qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee

of the Company, for twelve (12) months (or, if less, for the duration that such COBRA coverage is available to Executive), payable in equal installments consistent with the Company's normal payroll schedule over the twelve (12) month period beginning with the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date."

3. ***Amendment of Section 6(l)***. The Agreement is hereby amended to by deleting Section 6(l) thereof and replacing it with the following:

"(l) ***Other Instances of Termination Following a Change in Control of the Company***. If the Executive's employment is terminated by the Company (or any entity to which the obligations and benefits under this Agreement have been assigned, pursuant to Section 10) without Cause or by the Executive for Good Reason at any time during the one-year period immediately following a Change in Control, then the Executive shall be entitled to the same payments, rights and benefits described in Section 6(e) as if such termination had been a termination by the Company or the Executive under Section 6(e), subject to the following enhancements:

(i) The Severance Amount will be increased to one hundred twenty-five percent (125%) of the Executive's annualized Base Salary, as in effect immediately prior to the Termination Date, and will be paid in a single lump-sum payment on the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date (rather than in installments over twelve (9) months);

(ii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and his qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for fifteen (15) months (or, if less, for the duration that such COBRA coverage is available to Executive), paid in a single lump-sum payment on the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date (rather than in installments over twelve (12) months); and

(iii) The Executive shall have a period of up to two years after any termination to which the provisions of this Section 6(l) are applicable to exercise all outstanding Equity Awards."

4. ***Ratification.*** Except to the extent expressly amended by this Amendment, all of the terms, provisions and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. The term "Agreement", as used in the Agreement, shall henceforth be deemed to be a reference to the Agreement as amended by this Amendment.

5. ***Governing Law***. This Amendment shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to principles of conflict of laws.

6. ***Section Headings***. The article, section and paragraph headings contained in this Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Amendment.

7. ***Counterparts***. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument and agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment on the date first above written.

COMPANY:

LEAP THERAPEUTICS, INC.

By: _____
Name: Douglas E. Onsi
Title: President & CEO

EXECUTIVE:

_____
Name: John Mark O'Mahony

Exhibit 10.6

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement ("***Agreement***") is made and entered into as of this 10th day of August, 2020 (the "**Effective Date**"), by and between Leap Therapeutics, Inc., a Delaware corporation (the "***Company***"), and Jason S. Baum (hereinafter, the "***Executive***").

WITNESSETH:

WHEREAS, the Company desires to employ the Executive as the Vice President, Head of Translational Medicine of the Company effective as of August 10, 2020, and the Executive desires to continue to be employed by the Company as the Vice President, Head of Translational Medicine of the Company effective as of the Effective Date, on the terms herein described.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and the Executive hereby agree as follows:

1. ***Definitions***. When used in this Agreement, the following terms shall have the following meanings:

(a) "***Accrued Obligations***" means:

(i) all accrued but unpaid Base Salary through the end of the Term of Employment;

(ii) any unpaid or unreimbursed expenses incurred in accordance with Company policy, including amounts due under Section 5(a) hereof, to the extent incurred during the Term of Employment;

(iii) any accrued but unpaid benefits provided under the Company's employee benefit plans, subject to and in accordance with the terms of those plans;

(iv) any earned and unpaid Bonus in respect to any completed fiscal year that has ended on or prior to the end of the Term of Employment;

(v) any accrued but unpaid rights to indemnification by virtue of the Executive's position as an officer or director of the Company or its subsidiaries and the benefits under any directors' and officers' liability insurance policy maintained by the Company, in accordance with its terms thereof; and

(vi) any accrued but unused vacation pay.

(b) "***Base Salary***" means the salary amount provided for in Section 4(a) hereof or any increase thereto as salary granted to Executive pursuant to Section 4(a) hereof.

(c) "***Beneficial Ownership***" shall have the meaning ascribed to such term in Rule 13d-3 promulgated under the Exchange Act.

(d) "***Board***" means the Board of Directors of the Company.

(e) "***Bonus***" means any bonus earned and payable to the Executive pursuant to Section 4(b) hereof.

(f) "***Cause***" means the occurrence of any of the following: (i) a conviction of the Executive, or a plea of nolo contendere, to a felony (other than a felony related to the operation of a motor vehicle); or (ii) willful misconduct or gross negligence by the Executive resulting, in either case, in material harm to the Company or any Related Entities; or (iii) a willful failure by the Executive to carry out the reasonable and lawful directions of the Board and failure by the Executive to remedy such willful failure within thirty (30) days after receipt of written notice of same from the Board; or (iv) fraud, embezzlement, theft or dishonesty of a material nature by the Executive, or a willful material violation by the Executive of a written policy or procedure of the Company or any Related Entity, resulting, in any case, in material harm to the Company or any Related Entity; (v) any action or omission by the Executive resulting in the loss or suspension of Executive's license to practice medicine; (vi) the exclusion, suspension or debarment of Executive from participation in a federal health care program or before the United States Food and Drug Administration or other similar regulatory authority or the existence of any pending debarment or similar proceedings against Executive; or (vii) a material breach by the Executive of this Agreement, and failure by the Executive to remedy the material breach within thirty (30) days after receipt of written notice of same, by the Board. For clarity, the inability of Executive to perform any or all of his duties, responsibilities or obligations under this Agreement on account of Executive's death or disability shall not be deemed or treated as a material breach of this Agreement by the Executive and shall not constitute Cause for any purpose of this Agreement.

(g) "***Change in Control***" means:

(i) The acquisition by any Person of Beneficial Ownership of at least twenty percent (20%) of either (A) the value of the then outstanding shares of common stock of the Company (the "***Outstanding Company Common Stock***") or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "***Outstanding Company Voting Securities***") (the foregoing Beneficial Ownership hereinafter being referred to as a "***Controlling Interest***"); *provided, however*, that for purposes of this definition, the following acquisitions shall not constitute or result in a Change in Control: (v) any acquisition directly from the Company; (w) any acquisition by the Company; (x) any acquisition by any person that owns, or by any person that collectively with such person's affiliates own, Beneficial Ownership of a Controlling Interest on the Effective Date; (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any subsidiary of the Company; or (z) any acquisition by any corporation or other Person pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (ii) below; or

(ii) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock or equity interests of another entity by the Company or any of its subsidiaries (each a "***Business Combination***"), in each case, unless, immediately following such Business Combination, (A) all or substantially all of the Persons who were the Beneficial Owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the then combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or equivalent persons) of the corporation or other Person resulting from such Business Combination (including, without limitation, a corporation or other Person which as a result of such

transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) (such resulting or acquiring corporation or other Person is referred to herein as the "***Acquiring Person***") in substantially the same proportions as their beneficial ownership, immediately prior to such Business Combination, of the combined voting power of the Outstanding Company Voting Securities, and (B) at least a majority of the members of the Board of Directors or equivalent body of the corporation or other Person resulting from such Business Combination were members of the incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(h) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time.

(i) "***Code***" means the Internal Revenue Code of 1986, as amended.

(j) "***Date of Termination***" means the earliest of: (i) immediately after the Company gives notice to Executive of Executive's termination, with or without Cause, unless the Company specifies a later date, in which case, termination shall be effective as of such later date; (ii) immediately upon the Executive's death; (iii) thirty (30) days after the Company gives notice to Executive of Executive's termination on account of Executive's Disability, unless the Company specifies a later date, in which case, termination shall be effective as of such later date, provided, that Executive has not returned to the full time performance of Executive's duties prior to such date; or (iv) thirty (30) days after the Executive gives written notice to the Company of Executive's resignation with or without Good Reason. Executive will receive compensation through any required notice period. In the event notice of a termination under subsections (i), (iii) and (iv) is given orally, at the other party's request, the party giving notice must provide written confirmation of such notice within five business days of the request in compliance with the requirement of Section 14 below. In the event of a termination for Cause or Good Reason written confirmation shall specify the subsection(s) of the definition of Cause or Good Reason relied on to support the decision to terminate but shall not include further explanation.

(k) "***Disability***" means the Executive's inability, or failure, to perform the essential functions of his position, with or without reasonable accommodation, for any period of ninety (90) consecutive days, or (ii) for one-hundred and eighty (180) days in the aggregate during any twelve (12) month period or based on the written certification by two licensed physicians of the likely continuation of such condition for either such period. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law.

(l) ***"Equity Awards***" means any stock options, restricted stock, restricted stock units, stock appreciation rights, phantom stock or other equity based awards granted by the Company to the Executive.

(m) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

(n) "***Excise Tax***" means any excise tax imposed by Section 4999 of the Code, together with any interest and penalties imposed with respect thereto, or any interest or penalties that are incurred by the Executive with respect to any such excise tax.

(o) "***Good Reason***" means the occurrence of any of the following: (i) a material diminution in the Executive's Base Salary; or (ii) the Company's or Related Entity's requiring the Executive to be based at any office or location outside of fifty (50) miles from Cambridge, Massachusetts, except for travel reasonably required in the performance of the Executive's responsibilities; or (iii) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this Agreement, Good Reason shall not be deemed to exist unless the Executive's termination of employment for Good Reason occurs within one hundred eighty days following the initial existence of one of the conditions specified in clauses (i) through (v) above, the Executive provides the Company with written notice of the existence of such condition within ninety (90) days after the initial existence of the condition, and the Company fails to remedy the condition within thirty (30) days after its receipt of such notice.

(p) "***Person***" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof.

(q) "***Related Entity***" means any Person controlling, controlled by or under common control with the Company or any of its subsidiaries. For this purpose, the terms "controlling," "controlled by" and "under common control with" mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including (without limitation) the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

(r) "***Severance Amount***" shall mean an amount equal to one-half (1/2) of the Executive's annualized Base Salary, as in effect immediately prior to the Termination Date.

(s) "***Target Bonus***" has the meaning described in Section 4(b).

(t) "***Term of Employment***" means the period during which the Executive shall be employed by the Company pursuant to the terms of this Agreement, which period shall begin effective as of the Effective Date and continue until terminated in accordance with Section 6 hereof.

(u) "***Termination Date***" means the date on which the Term of Employment ends.

2. ***Employment***. The Company hereby agrees to continue to employ the Executive, and the Executive hereby agrees to continue to serve the Company, during the Term of Employment on the terms and conditions set forth herein.

3. ***Duties of Executive***.

(a) ***Position and Position Duties***. During the Term of Employment, the Executive shall be employed and serve as the Vice President, Head of Translational Medicine of the Company.

(b) ***Duties in General***. The Executive shall faithfully and diligently perform all services as may be assigned to him by the President and Chief Executive Officer, and shall exercise such power and authority as may from time to time be delegated to him. The Executive shall devote time, attention and efforts to the performance of his duties under this Agreement, render such services to the best of his ability, and use his reasonable best efforts to promote the interests of the Company. The Executive shall not engage in any other business or occupation during the Term of Employment that (i) conflicts with the interests of the Company or its subsidiaries, (ii) interferes with the proper and efficient performance of

his duties for the Company, or (iii) interferes with the exercise of his judgment in the Company's best interests.

(c) ***Company Policies and Procedures***. The employment relationship between the parties also shall be subject to the Company's personnel and compliance policies and procedures as they may be interpreted, adopted, revised or deleted from time to time in the Company's sole discretion. The Company reserves the right to change, alter, or terminate any such policy or procedure in its sole discretion. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

4. ***Compensation***.

(a) ***Base Salary***. The Executive shall receive a Base Salary at the annualized rate of $375,000 during the Term of Employment, with such Base Salary payable in installments consistent with the Company's normal payroll schedule, subject to applicable withholding and other taxes. The Base Salary shall be reviewed, at least annually, for merit increases and may, by action and in the discretion of the Board, be increased at any time or from time to time, but may not be decreased from the then current Base Salary.

(b) ***Bonuses***. The Executive shall receive a signing bonus of $50,000 (the "**Signing Bonus**") to be paid with the Company's first payroll following the Effective Date. In addition, the Executive will receive a bonus of $50,000 to be paid with the first payroll following the first anniversary of the Effective Date, subject to the Executive's continued employment through the payment date. During the Term of Employment, the Executive shall participate in the Company's annual incentive compensation plan, program and/or arrangements applicable to senior-level executives, as established and modified from time to time by the Compensation Committee of the Board (for the avoidance of doubt, for any period during which there is not a Compensation Committee, all matters under this Agreement shall be addressed by the Board) in its sole discretion. During the Term of Employment, the Executive shall have a target bonus opportunity under such plan or program equal to 30% of his current Base Salary (the "***Target Bonus***"), based on satisfaction of performance criteria to be established by the Compensation Committee of the Board within the first three months of each fiscal year that begins during the Term of Employment. Payment of annual incentive compensation awards shall be made in the same manner and at the same time that other senior-level executives receive their annual incentive compensation awards and, except as otherwise provided herein, will be subject to the Executive's continued employment through the applicable payment date.

(c) ***Equity Awards***. Any and all existing Equity Awards that the Executive has or holds in the Company will be treated consistent with the terms of the applicable plans and agreements under which such Equity Awards have been granted. The Executive may be granted additional Equity Awards from time to time in accordance with the Company's normal business practice and in the sole discretion of the Compensation Committee of the Board. The terms of any future Equity Awards granted to the Executive will be consistent with any plan under which such Equity Awards are granted and the terms of the applicable agreement for such Equity Awards. Notwithstanding the foregoing, any and all outstanding unvested Equity Awards shall automatically become fully vested and exercisable on an accelerated basis immediately prior to any Change of Control that is consummated at any time after the Effective Date.

5. ***Expense Reimbursement and Other Benefits***.

(a) ***Reimbursement of Expenses***. Upon the submission of proper substantiation by the Executive, and subject to such rules and guidelines as the Company may from time to time adopt with respect to the reimbursement of expenses of executive personnel, the Company shall reimburse the Executive for all reasonable expenses actually paid or incurred by the Executive during the Term of Employment in the course of and pursuant to the business of the Company. The Executive shall account to the Company in writing for all expenses for which reimbursement is sought and shall supply to the Company copies of all relevant invoices, receipts or other evidence reasonably requested by the Company.

(b) ***Compensation/Benefit Programs***. During the Term of Employment, the Executive shall be entitled to participate in all benefit plans on the same basis as similarly situated executives in the Company's benefit plans in effect from time to time during Executive's employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan.

(c) ***Working Facilities***. During the Term of Employment, the Company shall furnish the Executive with an office, administrative help, and such other facilities and services suitable to his position and adequate for the performance of his duties hereunder. The Executive's principal place of employment (subject to reasonable travel) shall be Cambridge, Massachusetts.

(d) ***Vacation***. The Executive shall be entitled to paid vacation each calendar year during the Term of Employment pursuant to the policies of the Company applicable to Executives, to be taken at such times as the Executive and the Company shall mutually determine and provided that no vacation time shall significantly interfere with the duties required to be rendered by the Executive hereunder.

6. ***Termination***.

(a) ***General***. The Term of Employment shall terminate upon the earliest to occur of (i) the Executive's death, (ii) a termination by the Company by reason of the Executive's Disability, (iii) a termination by the Company with or without Cause, or (iv) a termination by Executive with or without Good Reason. Upon any termination of Executive's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Executive, the Executive shall resign from any and all directorships, committee memberships or any other positions Executive holds with the Company or any of its Related Entities.

(b) ***Termination By Company for Cause.*** In the event the Executive is terminated by the Company for Cause, the Company's obligation to make payments under this Agreement shall cease upon the Date of Termination, except that the Company shall pay Executive any Base Salary earned but unpaid prior to termination, all accrued but unused vacation and any business expenses that were incurred but not reimbursed as of the Date of Termination. Vesting of any unvested stock options and/or other equity securities shall cease on the Date of Termination, unless otherwise provided in any plan, instrument or agreement to which such unvested stock options and/or other equity securities may be subject.

(c) ***Disability***. The Company shall have the option, in accordance with applicable law, to terminate the Term of Employment upon written notice to the Executive, at any time during which the Executive is suffering from a Disability. In the event that the Term of Employment is terminated due to the Executive's Disability, the Executive shall be entitled to (i) the Accrued Obligations, payable as and when those amounts would have been paid had the Term of Employment not ended, and (ii) any insurance

benefits to which he and his beneficiaries are entitled as a result of his Disability. Vesting of any unvested stock options and/or other equity securities shall cease on the Date of Termination, unless otherwise provided in any plan, instrument or agreement to which such unvested stock options and/or other equity securities may be subject.

(d) ***Death***. In the event that the Term of Employment is terminated due to the Executive's death, the Executive's estate shall be entitled to (i) the Accrued Obligations, payable as and when those amounts would have been paid had the Term of Employment not ended, and (ii) any insurance benefits to which he and his beneficiaries are entitled as a result of his death. Vesting of any unvested stock options and/or other equity securities shall cease on the Date of Termination, unless otherwise provided in any plan, instrument or agreement to which such unvested stock options and/or other equity securities may be subject.

(e) ***Termination Without Cause or Resignation With Good Reason***. The Company may terminate the Term of Employment without Cause, and the Executive may terminate the Term of Employment for Good Reason, at any time upon written notice, and upon compliance with Section 6(g) below. If the Term of Employment is terminated by the Company without Cause (other than due to the Executive's death or Disability) or by the Executive for Good Reason, the Executive shall be entitled to the following:

(i) The Accrued Obligations, payable as and when those amounts would have been paid had the Term of Employment not ended;

(ii) The Severance Amount, payable in equal installments consistent with the Company's normal payroll schedule over the six (6)-month period beginning with the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date; and

(iii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and his qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for six (6) months (or, if less, for the duration that such COBRA coverage is available to Executive), payable in equal installments consistent with the Company's normal payroll schedule over the six (6)-month period beginning with the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date.

(f) ***Termination by Executive Without Good Reason***. The Executive may terminate his employment without Good Reason at any time by providing the Company 30 days' written notice of such termination. In the event of a termination of employment by the Executive under this Section 6(f), the Executive shall be entitled only to the Accrued Obligations payable as and when those amounts would have been payable had the Term of Employment not ended. In the event of termination of the Executive's employment under this Section 6(f), the Company may, in its sole and absolute discretion, by written notice, accelerate the Date of Termination and still have it treated as a termination without Good Reason.In the event of termination of the Executive's employment under this Section 6(f) prior to August __, 2021, the Executive agrees to repay the Signing Bonus within sixty (60) days of the Date of Termination.

(g) ***Release***. All rights, payments and benefits due to the Executive under this Article 6 (other than the Accrued Obligations) shall be conditioned on the Executive's execution of a general release of

claims against the Company and its affiliates substantially in the form attached hereto as Exhibit A within 60 days of the Date of Termination (the "***Release***") and on that Release becoming irrevocable within sixty (60) days following the Termination Date.

(h) ***Section 280G Certain Reductions of Payments by the Company***.

(i) In the event that a Change in Control occurs at any time during the Term of Employment, and the severance and other benefits provided for in this Agreement or otherwise payable to Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Section, would be subject to the excise tax imposed by Section 4999 of the Code, then Executive's severance and other benefits constituting parachute payments will be either:

(1) delivered in full, or

(2) delivered as to such lesser extent which would result in no portion of such severance and other benefits being subject to the excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive, on an after-tax basis, of the greatest amount of severance and other benefits, notwithstanding that all or some portion of such severance and other benefits may be taxable under Section 4999 of the Code. If a reduction in the severance and other benefits constituting "parachute payments" is necessary so that no portion of such severance and other benefits is subject to the excise tax under Section 4999 of the Code, the reduction shall occur in the following order: (a) reduction of the cash severance payments; (b) cancellation of accelerated vesting of equity awards; and (c) reduction of continued employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant of Executive's equity awards.

(ii) A nationally recognized certified professional services firm selected by the Company, the Company's legal counsel or such other person or entity to which the parties mutually agree (the "**Firm**") shall perform the foregoing calculations related to the Excise Tax. The Company shall bear all expenses with respect to the determinations by the Firm required to be made hereunder. For purposes of making the calculations required by this Section 6(h), the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 6(h). The Firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Executive within 15 calendar days after the date on which Executive's right to the severance benefits or other payments is triggered (if requested at that time by the Company or Executive) or such other time as requested by the Company or Executive. Any good faith determinations of the Firm made hereunder shall be final, binding, and conclusive upon the Company and Executive.

(i) ***Cooperation***. Following the Term of Employment, the Executive shall give his assistance and cooperation willingly, upon reasonable advance notice with due consideration for his other business or personal commitments, in any matter relating to his position with the Company, or his expertise or experience as the Company may reasonably request, including his attendance and truthful testimony where deemed appropriate by the Company, with respect to any investigation or the Company's defense

or prosecution of any existing or future claims or litigations or other proceedings relating to matters in which he was involved or potentially had knowledge by virtue of his employment with the Company. In no event shall his cooperation materially interfere with his services for a subsequent employer or other similar service recipient. To the extent permitted by law, the Company agrees that (i) it shall promptly reimburse the Executive for his reasonable and documented expenses in connection with his rendering assistance and/or cooperation under this Section 6(i) upon his presentation of documentation for such expenses and (ii) the Executive shall be reasonably compensated for any continued material services as required under this Section 6(i).

(j) ***Return of Company Property***. Following the Termination Date, the Executive or his personal representative shall immediately return all Company property in his possession, including but not limited to all computer equipment (hardware and software), telephones, facsimile machines, tablets and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company, its customers and clients or its prospective customers and clients (provided that the Executive may retain a copy of the addresses contained in his rolodex, smartphone or similar device or the Company and, at the Executive's request, the Company shall provide a thumb drive of his contacts).

(k) ***Compliance with Section 409A***.

(i) ***General***. It is the intention of both the Company and the Executive that the benefits and rights to which the Executive could be entitled pursuant to this Agreement comply with Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("***Section 409A***"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention.

(ii) ***Distributions on Account of Separation from Service***. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Executive's employment shall be made unless and until the Executive incurs a "separation from service" within the meaning of Section 409A.

(iii) ***Six Month Delay for Specified Employees***. If the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code), then no payment or benefit that is payable on account of the Executive's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six (6) months after the Executive's "separation from service" (or, if earlier, the date of the Executive's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule.

(iv) ***Treatment of Each Installment as a Separate Payment***. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment. In addition, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(v) ***Taxable Reimbursements and In-Kind Benefits***.

(A) Any reimbursements by the Company to the Executive of any eligible expenses under this Agreement that are not excludable from the Executive's income for Federal income tax purposes (the "***Taxable Reimbursements***") shall be made by no later than the last day of the taxable year of the Executive following the year in which the expense was incurred.

(B) The amount of any Taxable Reimbursements, and the value of any in-kind benefits to be provided to the Executive, during any taxable year of the Executive shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year of the Executive.

(C) The right to Taxable Reimbursement, or in-kind benefits, shall not be subject to liquidation or exchange for another benefit.

(vi) ***Company Discretion***. Notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that the payment of the COBRA premiums under Section 6(e)(iv) above would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company may instead pay Executive, fully taxable cash payments equal to and paid at the same time as the COBRA premiums that otherwise would have been paid, subject to applicable tax withholdings. In the event the COBRA premium reimbursement is made on an after-tax basis, the Company will provide a tax gross-up to the Executive equal to the amount of taxes withheld on the COBRA premium reimbursement with such amount to be paid at the same time of the COBRA premium reimbursement. To receive the payments under Section 6(e)(ii) above, Executive's termination or resignation must constitute a "separation from service**"** within the meaning of Section 409A, and Executive must execute and allow the Release to become effective within sixty (60) days of Executive's termination or resignation. Such payments shall not be paid prior to the sixtieth (60th) day following Executive's termination or resignation, rather, subject to the aforementioned conditions, on the sixtieth (60th) day following Executive's termination or resignation, the Company will pay Executive such payments in a lump sum that Executive would have received on or prior to such date under the original schedule, with the balance of such payments being paid as originally scheduled.

(vii) ***Timing of Payment and Execution of Release*.** Notwithstanding any provision of this Agreement to the contrary, in no event shall the timing of the execution of the Release, directly or indirectly, result in the Executive designating the calendar year of a payment, and if a payment that is subject to execution of the Release could be made in more than one taxable year, payment shall be made in the later taxable year to the extent required under Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of a payment.

(viii) ***No Guaranty of 409A Compliance***. Notwithstanding the foregoing, the Company does not make any representation to the Executive that the payments or benefits provided under this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Executive or any beneficiary of the Executive for any tax, additional tax, interest or penalties that the Executive or any beneficiary of the Executive may incur in the event that any provision of this Agreement, or any amendment or

modification thereof, or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

7. ***Proprietary Information, Invention, Non-Competition, and Non-Solicitation***. The Executive and the Company have previously entered into that certain Employee Proprietary Information, Invention, Non-Competition and Non-Solicitation Agreement, dated as of December 10, 2015, between the Company and the Executive (the "Confidentiality Agreement"), and the terms and provisions of the Confidentiality Agreement shall be incorporated into this Agreement by reference for all purposes.

8. ***Representations and Warranties of Executive***. The Executive represents and warrants to the Company that:

(a) The Executive's employment has not conflicted with or resulted in, and will not conflict with or result in, his breach of any agreement to which he is a party or otherwise may be bound;

(b) The Executive has not violated, and in connection with his employment with the Company will not violate, any non-solicitation, non-competition or other similar covenant or agreement of a prior employer by which he is or may be bound; and

(c) In connection with Executive's employment with the Company, he has not used, and will not use, any confidential or proprietary information that he may have obtained in connection with employment with any prior employer.

9. ***Taxes***. All payments or transfers of property made by the Company to the Executive or his estate or beneficiaries shall be subject to the withholding of such amounts relating to taxes as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation.

10. ***Assignment***. The Company shall have the right to assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any corporation or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said corporation or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, but may not otherwise assign this Agreement or its rights and obligations hereunder. The Executive may not assign or transfer this Agreement or any rights or obligations hereunder.

11. ***Governing Law***. This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to principles of conflict of laws.

12. ***Jurisdiction and Venue***. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Cambridge, Massachusetts, and that, therefore, without limiting the jurisdiction or venue of any other federal or state courts, each of the parties irrevocably and unconditionally (i) agrees that any suit, action or legal proceeding arising out of or relating to this Agreement which is expressly permitted by the terms of this Agreement to be brought in a court of law, may be brought in the courts of record of the Commonwealth of Massachusetts (Middlesex or Suffolk Counties) or the court of the United States, District of Massachusetts; (ii) consents to the jurisdiction of each such court in any such suit, action or proceeding; (iii) waives any objection which it or he may have to the laying of venue of any such suit, action or proceeding in any of such courts; and (iv) agrees that service of any court papers may be effected

on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws or court rules in such courts.

13. ***Entire Agreement; Termination of Other Employment Agreement; Amendment***. This Agreement, together with the exhibit attached hereto, constitutes the entire agreement between the patties hereto with respect to the subject matter hereof and, upon its effectiveness, shall supersede all prior agreements, understandings and arrangements, both oral and written, between the Executive and the Company (or any of its Related Entities) with respect to such subject matter, including, without limitation, any other employment agreement currently in effect between the Company and the Executive. The Company and the Executive hereby agree that any other employment agreement currently in effect between the Company and the Executive is hereby terminated immediately upon the execution and delivery of this Agreement. This Agreement may not be modified in any way unless by a written instrument signed by both the Company and the Executive.

14. ***Notices***. All notices required or permitted to be given hereunder shall be in writing and shall be personally delivered by courier, sent by registered or certified mail, return receipt requested or sent by confirmed facsimile transmission addressed as set forth herein. Notices personally delivered, sent by facsimile or sent by overnight courier shall be deemed given on the date of delivery and notices mailed in accordance with the foregoing shall be deemed given upon receipt by the addressee, as evidenced by the return receipt thereof. Notice shall be sent (i) if to the Company, addressed to its headquarters, Attention: President, and (ii) if to the Executive, to his address as reflected on the payroll records of the Company, or to such other address as either party shall request by notice to the other in accordance with this provision.

15. ***Benefits; Binding Effect.*** This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and, where permitted and applicable, assigns, including, without limitation, any successor to the Company, whether by merger, consolidation, sale of stock, sale of assets or otherwise.

16. ***Right to Consult with Counsel; No Drafting Party***. The Executive acknowledges having read and considered all of the provisions of this Agreement carefully, and having had the opportunity to consult with counsel of his own choosing, and, given this, the Executive agrees that the obligations created hereby are not unreasonable. The Executive acknowledges that he has had an opportunity to negotiate any and all of these provisions and no rule of construction shall be used that would interpret any provision in favor of or against a party on the basis of who drafted the Agreement.

17. ***Severability***. The invalidity of any one or more of the words, phrases, sentences, clauses, provisions, sections or articles contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, provisions, sections or articles contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, provisions or provisions, section or sections or article or articles had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to a period or area which would cure such invalidity.

18. ***Waivers***. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation.

19. ***Damages; Attorneys' Fees***. Nothing contained herein shall be construed to prevent the Company or the Executive from seeking and recovering from the other damages sustained by either or both of them as a result of its or his breach of any term or provision of this Agreement. Each party shall bear its own costs and attorneys' fees.

20. ***Waiver of Jury Trial***. The Executive hereby knowingly, voluntarily and intentionally waives any right that the Executive may have to a trial by jury in respect of any litigation based hereon, or arising out of, under or in connection with this Agreement and any agreement, document or instrument contemplated to be executed in connection herewith, or any course of conduct, course of dealing statements (whether verbal or written) or actions of any party hereto.

21. ***No Set-off or Mitigation***. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In the event of any termination of the Executive's employment under this Agreement, he shall be under no obligation to seek other employment or otherwise in any way to mitigate the amount of any payment provided for hereunder.

22. **Defend Trade Secrets Act**. Pursuant to 18 U.S.C. § 1833(b), Executive will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret of the Company or its affiliates that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to Executive's attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney and use the trade secret information in the court proceeding, if Executive (x) files any document containing the trade secret under seal, and (y) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.

23. ***Section Headings***. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

24. ***No Third Party Beneficiary***. The Related Entities are intended third party beneficiaries of this Agreement. Otherwise, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person other than the Company, the parties hereto and their respective heirs, personal representatives, legal representatives, successors and permitted assigns, any rights or remedies under or by reason of this Agreement.

25. ***Counterparts***. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument and agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first above written.

COMPANY:

LEAP THERAPEUTICS, INC.

By: _____
Name: Douglas E. Onsi
Title: President & Chief Executive Officer

EXECUTIVE:

_____
Name: Jason S. Baum

General Release of Claims

1. [_____] ("***Executive***"), for himself and his family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for the consideration (other than the Accrued Obligations) received pursuant to Article 6 of the Employment Agreement (the "***Severance Benefits***") to which this release is attached as Exhibit A (the "***Employment Agreement***"), does hereby release and forever discharge Leap Therapeutics, Inc. (the "***Company***"), its subsidiaries, affiliated companies, successors and assigns, and its current or former directors, officers, employees, stockholders or agents in such capacities (collectively with the Company, the "***Released Parties***") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, whether known or unknown, from the beginning of time through the date upon which Executive signs this General Release of Claims, including, without limitation, claims under any applicable laws, in each case in connection with Executive's employment or termination thereof, whether for tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Without limiting the generality of the release provided above, Executive expressly waives any and all claims under Age Discrimination in Employment Act (**"*ADEA*"**) that he may have as of the date hereof. Executive further understands that, by signing this General Release of Claims, he is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof, including, but not limited to, [*additional citations to be added prior to execution at the time of separation*]. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any rights to receive any payments or benefits to which the Executive is entitled under the Employment Agreement or COBRA, (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification and advancement rights Executive may have as a former employee, officer or director of the Company or its subsidiaries or affiliated companies (including any rights under any directors' and officers' indemnification agreement or under the Company's charter or bylaws), (iv) any claims for benefits under any directors' and officers' liability policy maintained by the Company or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) rights to vested benefits under the Company's 401(k) plan or other employee benefits plans, (vi) any rights as a holder of equity securities or debt securities/notes of the Company and (vii) any rights that Executive may have under any contracts or agreements with the Company or any of its subsidiaries or affiliated companies (other than the Employment Agreement) to the extent that such rights do not pertain to compensation or remuneration in connection with Executive's employment with the Company or any of its subsidiaries or affiliated companies or the termination of such employment.

2. Executive represents that he has not filed against the Released Parties any complaints, charges, or lawsuits arising out of his employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that he will never individually or with any person file, or commence the filing of any lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Executive pursuant to paragraph 1 hereof; provided, that nothing herein shall prevent Executive from filing a charge or complaint with the Equal Employment Opportunity Commission ("***EEOC***") or similar federal or state agency or Executive's ability to participate in any investigation or proceeding conducted by such agency. Executive does agree, however, that he is waiving his right to recover any money in connection with such

an investigation or charge filed by him or by any other individual, or a charge filed by the Equal Employment Opportunity Commission or any other federal, state or local agency.

3. Executive acknowledges that, in the absence of his execution of this General Release of Claims, the Severance Benefits would not otherwise be due to his.

4. Executive acknowledges and agrees that he received adequate consideration in exchange for agreeing to the covenants contained in the Confidentiality Agreement and incorporated into the Employment Agreement by virtue of Section 7 of the Employment Agreement, that such covenants remain reasonable and necessary to protect the legitimate business interests of the Company and its affiliates and that he will continue to comply with those covenants.

5. Executive hereby acknowledges that the Company has informed him that he has up to twenty-one (21) days to sign this General Release of Claims and he may knowingly and voluntarily waive that twenty-one (21)-day period by signing this General Release of Claims earlier. Executive is advised to consult with an attorney before signing this General Release of Claims. Executive also understands that he shall have seven (7) days following the date on which he signs this General Release of Claims within which to revoke it by providing a written notice of her revocation to the Company in the manner described in Section 14 of the Employment Agreement.

6. Executive expressly acknowledges and agrees that Executive will not make any statements that are professionally or personally disparaging about, or adverse to, the Company or its business (including its officers, directors, employees and consultants) including, but not limited to, any statements that disparage any person, product, service, finances, financial condition, capability or any other aspect of the business of the Company, and that Executive shall not engage in any conduct which could reasonably be expected to harm professionally or personally the reputation of the Company (including its officers, directors, employees and consultants). Notwithstanding the foregoing, Executive shall not be (i) required to make any statement Executive believes to be false or inaccurate or (ii) restricted in connection with any litigation, arbitration or similar proceeding or with respect to Executive’s response to any legal process.

7. Executive acknowledges and agrees that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within such state.

8. Executive acknowledges that he has read this General Release of Claims, that he has been advised that he should consult with an attorney before he executes this general release of claims, and that he understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

9. This General Release of Claims shall become irrevocable on the eighth day following Executive's execution of this General Release of Claims, unless previously revoked in accordance with paragraph 5, above.

Intending to be legally bound hereby, Executive has executed this General Release of Claims on _____ ____, _____.

EXECUTIVE:

_____

Name:

Exhibit 10.7

FIRST AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT

This Second Amendment (the "***Amendment***") to Executive Employment Agreement is made and entered into as of this 3rd day of April, 2023 (the "***Amendment Date***"), by and between Leap Therapeutics, Inc., a Delaware corporation (the "***Company***"), and Jason S. Baum (hereinafter, the "***Executive***").

WITNESSETH:

WHEREAS, the Company currently employs the Executive pursuant to that certain Executive Employment Agreement, dated as of August 10, 2020, between the Company and the Executive (the "***Agreement***").

WHEREAS, the Company desires to promote the Executive to the position of Chief Scientific Officer and amend the terms of the Agreement effective as of the Amendment Date, on the terms herein described.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and the Executive hereby agree as follows:

1. ***Amendment of Section 1(r)***. The Agreement is hereby amended by deleting Section 1(r) thereof and replacing it with the the following:

"(r) "***Severance Amount***" shall mean an amount equal to one-hundred percent (100%) of the Executive's annualized Base Salary, as in effect immediately prior to the Termination Date."

2. ***Amendment of Section 3(a)***. The Agreement is hereby amended by deleting Section 3(a) thereof and replacing it with the following:

"(a) ***Position and Position Duties***. During the Term of Employment, the Executive shall be employed and serve as the Chief Scientific Officer of the Company."

3. ***Amendment of Section 6(e)***. The Agreement is hereby amended by deleting Section 6(e) thereof and replacing it with the following:

"(e) ***Termination Without Cause or Resignation With Good Reason***. The Company may terminate the Term of Employment without Cause, and the Executive may terminate the Term of Employment for Good Reason, at any time upon written notice, and upon compliance with Section 6(g) below. If the Term of Employment is terminated by the Company without Cause (other than due to the Executive's death or Disability) or by the Executive for Good Reason, the Executive shall be entitled to the following:

(i) The Accrued Obligations, payable as and when those amounts would have been paid had the Term of Employment not ended;

(ii) The Severance Amount, payable in equal installments consistent with the Company's normal payroll schedule over the twelve (12) month period beginning with the first

regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date; and

(iii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and her qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for twelve (12) months (or, if less, for the duration that such COBRA coverage is available to Executive), payable in equal installments consistent with the Company's normal payroll schedule over the twelve (12) month period beginning with the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date."

4. ***Addition of Section 6(l)***. The Agreement is hereby amended by adding Section 6(l) to as follow:

"(l) ***Other Instances of Termination Following a Change in Control of the Company***. If the Executive's employment is terminated by the Company (or any entity to which the obligations and benefits under this Agreement have been assigned, pursuant to Section 10) without Cause or by the Executive for Good Reason at any time during the one-year period immediately following a Change in Control, then the Executive shall be entitled to the same payments, rights and benefits described in Section 6(e) as if such termination had been a termination by the Company or the Executive under Section 6(e), subject to the following enhancements:

(i) The Severance Amount will be increased to one hundred twenty-five percent (125%) of the Executive's annualized Base Salary, as in effect immediately prior to the Termination Date, and will be paid in a single lump-sum payment on the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date (rather than in installments over twelve (12) months);

(ii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and his qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for fifteen (15) months (or, if less, for the duration that such COBRA coverage is available to Executive), paid in a single lump-sum payment on the first regularly scheduled payroll date that occurs more than thirty (30) days following the Termination Date (rather than in installments over twelve (12) months); and

(iii) The Executive shall have a period of up to two years after any termination to which the provisions of this Section 6(l) are applicable to exercise all outstanding Equity Awards."

5. ***Ratification.*** Except to the extent expressly amended by this Amendment, all of the terms, provisions and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. The term "Agreement", as used in the Agreement, shall henceforth be deemed to be a reference to the Agreement as amended by this Amendment.

6. ***Governing Law***. This Amendment shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to principles of conflict of laws.

7. ***Section Headings***. The article, section and paragraph headings contained in this Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Amendment.

8. ***Counterparts***. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument and agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment on the date first above written.

COMPANY:

LEAP THERAPEUTICS, INC.

By: _____
Name: Douglas E. Onsi
Title: President & CEO

EXECUTIVE:

_____
Name: Jason S. Baum

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Douglas E. Onsi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Leap Therapeutics, 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. 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my 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 my conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

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

5. 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 (or persons performing the equivalent functions):

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

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

May 15, 2023
Date

/s/ DOUGLAS E. ONSI
Douglas E. Onsi
President, Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report of Leap Therapeutics, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas E. Onsi, as Chief Executive Officer, President and Chief Financial Officer, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; 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: May 15, 2023

By: /s/ DOUGLAS E. ONSI

Douglas E. Onsi
President, Chief Executive Officer and Chief Financial Officer
(Principal Executive Officer and Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Leap Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Quarterly Report), irrespective of any general incorporation language contained in such filing.