

HyperSciences, Inc.
Regulation D, Rule 506(c) Offering
General Terms
June 24, 2020

Issuer: HyperSciences, Inc. (the “**Company**”).

Type of Security: Series A Preferred Stock, par value \$0.0001, at a purchase price of \$3.84 per share (the “**Shares**”).

Amount of Financing: \$3,952,162 (1,029,209 Shares). The amount of this financing has been increased from \$3,000,000, and includes \$1,641,649.92 from purchasers in prior closings (“**Outstanding Holders**”).

Purchasers: Accredited investors only, as verified by the Company or via letter from appropriate advisor of investor.

Closing Dates: The initial closing on these amended terms (the “**Initial Closing**”) has occurred and the Company may effect one or more additional closings until the earlier to occur of (i) sale of an aggregate of \$3,952,162 or (ii) the Board of Directors of the Company decides to cease the offering.

Liquidation Preference: The greater of 1x preference, non-participating; or the amount each share of Series A Preferred Stock would be entitled to receive if all shares of Series A Preferred Stock were converted into shares of Common Stock immediately prior to such event.

Dividends: As, and if, declared out of legally available funds, in preference to any junior stock.

Anti-dilution: Broad-based weighted-average anti-dilution protection.

Voting Rights: Votes together with Common as-if converted, except as provided in the Company’s Certificate of Incorporation or required by law.

Voluntary Conversion: Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time.

Automatic Conversion: Upon either (a) closing of the sale of shares of Common Stock of the Company pursuant to an effective registration resulting in at least \$2,500,000 in proceeds to the Company; or (b) the date or occurrence of an event set by a majority of the holders of Preferred Stock.

Right of First Refusal: Major Investors (holders with at least 13,021 shares of Series A Preferred stock) will have pro-rata rights to subsequent equity offerings, so long as each Major Investor can sufficiently show accredited investor status.

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| Co-sale, Right of First Refusal, and Drag-along: | Series A holders have co-sale and first refusal rights, and Series A shares are subject to co-sale and refusal rights. |
| Transfer Notice and Restrictions: | Series A holders must provide notice to the Company prior to certain transfers of stock. If reasonable, the Company may require a “no action” letter from the Securities and Exchange Commission or opinion of counsel. |
| Market Stand-Off: | Investors will be limited in their ability to sell or transfer their shares for up to 215 days following the effective date of a registration statement. |
| Protective Provisions: | Holders of at least a majority of Preferred Stock must approve certain protected actions, including but not limited to, preferred equity issuance, amend the articles of incorporation, change of the number of directors, declaration of dividends or redemption, liquidation, merger, sale or disposition of substantially all the assets of the Company, or an amendment to the Company’s equity incentive plan to increase or decrease the authorized number of shares. |
| Definitive Documentation: | Terms used in these general terms have meanings as they are commonly understood in West Coast venture capital. Specific thresholds and mechanics not specified herein will be negotiated in good faith and with reference to market. Washington State will be the choice of venue. Excepting the section on “Confidentiality” below, this term sheet is non-binding and subject to definitive documentation. |
| Conditions Precedent: | Each closing is dependent upon due diligence to sole satisfaction of Investors, and execution of mutually acceptable definitive documentation. |
| Confidentiality: | This term sheet is confidential and may not be disclosed or shared with any outside party without the prior consent of the Company. |