JASTLabs Corporation

PRIVATE OFFERING MEMORANDUM

June 3, 2026

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THE OFFERING

By means of this Private Offering Memorandum, JASTLabs Corporation is offering 37,500,000 shares of its Series A-1 Preferred stock. The Company's A-1 Preferred stock is being offered at a price of $2.00 per share.

The Company may offer discounts to the offering price for persons that invest certain amounts. These discounts will be available at https://www.manhattanstreetcapital.com/jastlabs-d.

Amounts in the investment range are based upon the total investment by the investor, including members of the investor's immediate family.

A minimum investment of $10,000 is required.

There is no minimum amount required to be raised in this offering. All amounts received from investors will be delivered to the Company. There is no commitment by any person to purchase any of the securities offered by the Company, and there can be no assurance that any securities offered will be sold.

The securities to be sold in this offering will be restricted securities as that term is defined in Rule 144 of the Securities and Exchange Commission.

Even if all securities offered are sold, the Company's future operations may be dependent upon its ability to obtain additional capital. Accordingly, following the completion of this offering, the Company may sell additional shares of Series A-1 Preferred stock and/or other securities to raise capital for its operations. There can be no assurance that additional funds may be obtained in the future.

The Company will not pay any sales commissions or other form of compensation to any officer, director, or employee in connection with this offering.

The shares are being offered and sold on a "best efforts" basis. There is no firm commitment by any person to purchase or sell any of the shares, and there is no assurance that any shares offered will be sold. There is no minimum number of shares which are required to be sold in this offering. The Company may terminate this offering at any time.

The Company's mission is to become a breakthrough, independent pharmaceutical company owned by the public at large, deploying new patented women's health medicines, globally.

The Company has already developed its first potential breakthrough toward this mission. It is a new medicinal treatment in the form of a pharmaceutical vaginal cream for women who suffer from symptoms of menopause. The discomfort associated with menopause affects most women, everywhere, and takes many forms. In general, it is a severe impairment to quality of life.

The proposed new drug by JASTLabs is a novel, non-estrogen therapy for sufferers of menopause, developed to address the fact that existing common treatments have drawbacks, such as undesirable side-effects, safety concerns and/or lack of effectiveness. Current menopause treatments are often taken despite the risk of these side effects because of the high motivation of the patient population. This high motivation is driven by the severity of the discomfort being experienced. In addition to well-known discomforts such as hot flashes, night sweats, sleep disturbances there is also widespread vaginal dryness, vaginal atrophy, pain and diminished libido. This reduces quality of life for the affected population. Menopause discomfort is a greater problem for sufferers than generally discussed in society. Improved treatment options are highly desired by the target market. The ideal for women with this condition is to have an available treatment that

addresses the combination of general wellness ailments and the adjacent sexual wellness issues. JASTLabs intends to provide a solution for the range of associated issues, not merely one dimension or the other.

JASTLabs Corporation's first proposed new pharmaceutical for this market has been given the internal working name of "JL-112". The name for the product will be finalized with comprehensive market researchers among many stakeholders and must be approved by the U.S. Food and Drug Administration (the "FDA"). JL-112 is the Company's initial product (which cannot be sold until it has been approved by the FDA) but not its only intended product. This document focuses on JL-112 because this product serves as the initial foundation for the Company's growth. JL-112 development to date is sufficiently advanced to be ready for first engagement with the FDA's approval requirements.

The medical need and market opportunity addressed by JL-112 is extensive in scale. The market already exists for short term gain after product launch, and will persist over the long term because menopause occurs naturally in women later in life, and is almost universal. Menopause is not a rare or episodic condition. It is an inevitable life stage experienced by most women in the global population. This addressable market exhibits characteristics associated with "blockbuster" pharmaceuticals, defined as pharmaceuticals that attain $1 Billion in annual sales. These characteristics include large patient populations, recurring use, established distribution channels, and the potential for durable intellectual property protection.

Unlike conventional pharmaceutical start-ups, JASTLabs' JL-112 combines ingredients that are already approved by the FDA for slightly different uses, but not in combination. Management expects this to expedite the FDA approval process and add immediate enterprise value due to the dearth of existing published data that will negate the need for many of the costly preclinical studies that are traditionally required in the absence of this data. JASTLabs proprietary method of combining these ingredients is now patent pending (applied for but not yet granted).

Risk factors:

Investing in our Series A-1 stock involves a high degree of risk, including:

- Lack of revenue and, as a result, a history of losses, and
- No immediate market for our Series A-1 Preferred stock.

THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH, NOR APPROVED OR DISAPPROVED BY, THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, AND NO COMMISSION OR AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM, NOR IS IT INTENDED THAT THEY WILL. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (THE "MEMORANDUM") AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE DELIVERY OF THIS MEMORANDUM AT ANY TIME DOES NOT IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

THIS OFFERING IS INTENDED AS A NON-PUBLIC OFFERING, EXEMPT FROM REGISTRATION PURSUANT TO REGULATION S OF THE SECURITIES AND EXCHANGE COMMISSION. FOR PURPOSES OF REGULATION S, OFFERS AND SALES OF SECURITIES THAT OCCUR OUTSIDE THE UNITED STATES ARE EXEMPT FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT OF 1933.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY OF THE SECURITIES OFFERED HEREBY, EXCEPT TO OR FROM THE PERSON TO WHOM THIS MEMORANDUM WAS DELIVERED BY, OR ON BEHALF OF, THE COMPANY. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL OR UNAUTHORIZED.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR, AND SHOULD BE USED ONLY IN CONNECTION WITH, A PROSPECTIVE INVESTOR'S CONSIDERATION OF AN INVESTMENT IN THE SECURITIES OF THE COMPANY DESCRIBED HEREIN.

THIS OFFER MAY BE WITHDRAWN AT ANY TIME AND IS SPECIFICALLY MADE SUBJECT TO THE TERMS DESCRIBED IN THIS MEMORANDUM. THE COMPANY RESERVES THE RIGHT TO REJECT ANY SUBSCRIPTION, IN WHOLE OR IN PART, OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF SHARES SUBSCRIBED FOR BY SUCH PROSPECTIVE INVESTOR. ANY REPRESENTATION TO THE CONTRARY IS UNAUTHORIZED AND MUST NOT BE RELIED UPON.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM, ANY OTHER DOCUMENTS DELIVERED HEREWITH, IF ANY, OR ANY OTHER COMMUNICATION FROM THE COMPANY AS INVESTMENT OR LEGAL ADVICE. THIS MEMORANDUM, ANY OTHER DOCUMENTS DELIVERED HEREWITH, AND ANY SUCH OTHER MATERIALS, AS WELL AS THE NATURE OF AN INVESTMENT IN THE SECURITIES OFFERED HEREBY, SHOULD BE REVIEWED BY EACH PROSPECTIVE INVESTOR AND SUCH INVESTOR'S INVESTMENT, TAX, LEGAL, ACCOUNTING AND OTHER ADVISORS.

NO OFFERING LITERATURE OR ADVERTISING IN ANY FORM WILL OR MAY BE EMPLOYED IN THE OFFERING OF THE SECURITIES OFFERED HEREBY, EXCEPT FOR THIS MEMORANDUM (INCLUDING AMENDMENTS AND SUPPLEMENTS HERETO) AND THE DOCUMENTS SUMMARIZED HEREIN OR ENCLOSED HEREWITH. NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS MEMORANDUM OR IN THE DOCUMENTS SUMMARIZED HEREIN OR ENCLOSED HEREWITH AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

FLORIDA RESIDENTS

ANY SALE TO A RESIDENT OF FLORIDA IS VOIDABLE BY THE PURCHASER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE COMPANY, ANY AGENT OF THE COMPANY, OR TO ANY ESCROW AGENT.

PENNSYLVANIA RESIDENTS

PENNSYLVANIA RESIDENTS' MAY NOT, UNDER ANY CIRCUMSTANCES, SELL THE SECURITIES PURCHASED IN THIS OFFERING FOR A PERIOD OF TWELVE MONTHS FOLLOWING THE DATE OF PURCHASE, EXCEPT IN ACCORDANCE WITH RULE 204.11 OF THE PENNSYLVANIA SECURITIES COMMISSION

FORWARD LOOKING STATEMENTS

This Private Offering Memorandum contains various forward-looking statements that are based on the Company's beliefs as well as assumptions made by and information currently available to the Company. When used in this Private Offering Memorandum, the words "believe", "expect", "anticipate", "estimate", and similar expressions are intended to identify forward-looking statements. Such statements may include statements regarding and are subject to certain risks, uncertainties, and assumptions which could cause actual results to differ materially from projections or estimates. Factors which could cause actual results to differ materially are discussed at length under the heading "Risk Factors." Should one or more of the enumerated risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or projected. Investors should not place undue reliance on forward-looking statements, all of which speak only as of the date made.

USE OF PROCEEDS

Capital raised by the Company will be used to advance the Company's core objectives by accelerating development, establishing regulatory credibility, understanding FDA requirements, and positioning the Company for durable commercialization.

We plan to use these net proceeds from this Offering for the following, depending upon the amount raised in this Offering:

Description	Amount Raised			
	$75 Million	**$50 Million**	**$25 Million**	**$ 10 Million**
Offering Expenses and Investor Outreach	9,000,000	6,000,000	3,000,000	1,200,000
Preclinical and Nonclinical Activities	900,000	900,000	900,000	300,000
Chemistry, Manufacturing, and Controls	1,500,000	1,000,000	750,000	500,000
Regulatory Consulting and FDA Interaction	1,000,000	1,000,000	1,000,000	1,000,000
Clinical Protocol Development and Supporting Documentation	800,000	800,000	800,000	300,000
Corporate development to build the infrastructure and marketing foundation to launch and maintain a pharmaceutical enterprise and, if more than $25 million is raised, costs associated with Phase I and Phase II clinical trials	54,300,000	35,300,000	16,050,000	5,700,000
Investment in other medical technologies	7,500,000	5,000,000	2,500,000	1,000,000

The Company has structured its use of proceeds to a priority-based strategy, rather than a uniform percentage scaling across funding scenarios. Allocations are designed to ensure that FDA regulatory alignment and advancement of JL-112 remain the highest priority at all capital levels, while other expenditures are staged to avoid premature commitment of capital ahead of regulatory clarity.

Because JL-112 is a proprietary, patent-pending formulation combining two active ingredients already approved by the U.S. Food and Drug Administration for adjacent indications, the Company anticipates a review pathway that is more focused and less capital-intensive than that of a novel chemical entity. Emergence of the FDA Commissioner's National Priority Voucher (CNPV) for new applications that address key criteria of policy interest to the FDA supports this approach. Criteria applicable to JL-112 from JASTLabs include delivering more innovative cures for the American people, addressing a large unmet medical need, increasing affordability and onshoring drug development and manufacturing to advance health interests of Americans and strengthen U.S. supply.

Accordingly, a core level of funding is allocated in all scenarios to regulatory engagement, documentation, and submission preparation, as well as to regulatory-aligned development activities necessary to support advancement of JL-112.

Expenditures related to testing, manufacturing readiness, and commercialization preparation increase proportionately only at higher funding levels, reflecting the Company's intent to defer capital-intensive activities until regulatory momentum and financing conditions justify such commitments. Lower funding scenarios emphasize activities that preserve options and advance JL-112 toward basic regulatory milestones. Higher funding scenarios enable elevated commercialization readiness.

Offering expenses do not decline in direct proportion to the amount raised because certain fixed costs only become more efficient with higher subscription engagement by investors. General corporate expenditures support minimum operational continuity. Company executive hiring and premises commitments only increase commensurate with a high likelihood of regulatory approval. Continuing patent applications are provided for at all funding levels. The Company will allocate a minimum of 10% of gross proceeds to strategic investments in adjacent joint ventures or equity interests that support JASTLabs shareholder interests by way of diversification to medical technology. Medical technology provides the opportunity for JASTLabs shareholders for growth of enterprise value independent of the regulatory and commercial outcomes of JL-112 specifically.

The precise amounts that we will devote to each of the foregoing items, and the timing of expenditures, will vary depending on numerous factors. Any line item amounts not expended completely shall be held in reserve as working capital and subject to reallocation to other line-item expenditures as required for ongoing operations.

The expected use of net proceeds from this offering represents our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve and change. The amounts and timing of our actual expenditures, specifically with respect to working capital, may vary significantly depending on numerous factors. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering.

In the event we do not sell all of the shares being offered, we may seek additional financing from other sources in order to support the intended use of proceeds indicated above. If we secure additional equity funding, investors in this offering would be diluted. In all events, there can be no assurance that additional financing would be available to us when wanted or needed and, if available, on terms acceptable to us.

BUSINESS OVERVIEW

Business Plan

The mission of JASTLabs Corporation is to become a breakthrough, independent pharmaceutical company owned by the public at large, deploying new patented women's health medicines, globally.

The global pharmaceutical market related to menopause, encompassing hormone replacement therapies (HRT), non-hormonal, and over-the-counter products was valued at approximately U.S. $17.66 Billion to 20.5 Billion in 2024. This market is projected to reach between $24 Billion and $27.6 Billion by 2030–2033, with compound annual growth rates (CAGR) generally ranging between 5% and 6%. This is the market for JASTLabs' first product.

The Company has already developed differentiated, non-estrogen therapies addressing a large and historically underserved segment of women's health: menopausal and post-menopausal conditions associated with physical discomfort, diminished sexual health (such as diminished libido and pain), and reduced quality of life. JASTLabs' first development program, currently provisionally designated "JL-112," is intended to serve as both the Company's initial commercial product and the foundation upon which future expansion may be pursued.

Management's objective is not merely to advance a single therapeutic candidate, but to establish the operational, regulatory, and commercial capabilities required to sustain a profitable pharmaceutical enterprise over time. This includes disciplined execution across formulation science, regulatory engagement, manufacturing readiness, and commercialization — with the explicit intention that enterprise value be derived primarily from product sales and recurring demand, rather than from speculative capital markets activity. For this reason, the proceeds from this offering provide the financing to go beyond basic present needs. Obtaining the full amount of this Offering will provide the Company with resources to conduct Phase I and Phase II clinical trials.

The medical need and market opportunity addressed by JL-112 is extensive in scale and long lasting. Menopause is not a rare or episodic condition, but an inevitable life stage experienced by approximately half of the global population - nearly all women. The addressable market therefore exhibits characteristics historically associated with "blockbuster" pharmaceuticals, including large patient populations, recurring use, established distribution channels, and the potential for durable intellectual property protection.

If successfully developed and approved, JL-112 is expected to benefit from high barriers facing competitors to entry due to formulation-specific intellectual property, regulatory legitimacy, and manufacturing reproducibility. Management believes these attributes support the reasonable prospect of sustained profitability, recurring dividend potential over time, and strategic relevance to larger pharmaceutical enterprises via joint venture, licensing, or acquisition partnerships. Management believes these factors create an attractive vehicle for public ownership participation and shared gains, while delivering a material benefit to society.

Medical Need and Market Opportunity

Frequency of Occurrence and Demographic Scale

Menopause and post-menopause affect a global population exceeding one billion women. In developed and developing economies, increased life expectancy has extended the duration of women living with menopausal and post-menopausal physiological changes, often for several decades. This demographic reality has created a growing cumulative impact of menopausal conditions on healthcare systems, workforce participation, interpersonal relationships, and on individual well-being.

The population of women aged over 45 continues to grow in North America, Europe, and parts of Asia-Pacific, driven by structural aging trends. This dynamic supports long-term, non-cyclical demand for therapies that can be used safely and acceptably over extended periods.

Quality-of-Life and Sexual Health Impact

Common menopausal and post-menopausal symptoms include hot flashes, vaginal dryness, vaginal atrophy, discomfort during intercourse, diminished libido, sleep disruption, mood changes, and broader impairment of quality of life. For many women, these conditions are chronic rather than transitional. The

impact extends beyond physical discomfort into emotional well-being, self-perception and intimate relationships.
Historically, the aspects of sexual health associated with menopause, including diminished libido and vaginal pain during intercourse, have been under-treated. This is in part due to cultural sensitivity and due to limited effective options. Contemporary social attitudes increasingly recognize sexual health as an integral component of overall quality of life. This shift expands the relevance of therapies that improve both comfort and sexual well-being in menopausal care, together. This insight is a core distinction between conventional available treatments and JL-112; the inclusion of sexual wellness in the mission of JL-112.

Limitations of Existing Therapies

Estrogen-based hormone replacement therapies are the dominant pharmaceutical intervention for menopausal symptoms. While effective for certain indications, these therapies are associated with well-documented contraindications, and long-term risk considerations, including cancer, cardiovascular, and thrombotic (blood clotting) issues. As a result, much of the target population is either medically ineligible for estrogen therapy, unwilling to assume perceived risk, or discontinues use over time.

In the absence of broadly accepted non-estrogen pharmaceutical alternatives, many women rely on off-label medications, compounded formulations, supplements, or non-treatment. Management believes these patterns demonstrate an unmet demand, by indicating a persistent gap between patient needs and available regulated solutions.

Behaviorally Accessible Market and Cultural Shift

Adoption of therapies that address menopausal comfort and sexual health is influenced not only by clinical suitability, but also by patient self-advocacy. This contributes to physician engagement, and cultural openness. It matters what patients ask for. In recent years, increased public discussion of women's health, aging, and sexual wellness (including sexual pleasure, by that name) has expanded the cohort of women who are both medically appropriate and behaviorally inclined to seek treatment.

JASTLabs Management defines this as the "behaviorally accessible market". It is growing more rapidly than business models in women's health had predicted. Even modest success of JL-112 within this expanding population represents a substantial commercial opportunity. The size of the underlying demographic and the likelihood of recurring use for long-lasting conditions is vast by comparison for pharmaceuticals targeting rare or unusual afflictions.

JASTLabs Management's assessments are supported by the epidemiological scale (i.e. frequency of occurrence), persistent unsatisfied need, and limitations of existing therapies. Cultural attitudes are evolving to prioritize these issues in women's health, and menopause in particular. The market opportunity underlying JL-112 is seen in pharmaceutical categories that have historically achieved global annual revenues in excess of U.S. $1 billion.

Product Overview: JL-112 Detail (JASTLabs Initial Program)

Therapeutic Intent and Differentiation

JL-112 has been conceived and developed as a non-estrogen therapy, deliberately avoiding estrogenic or progestogenic components that are associated with well-documented contraindications and side-effects, regulatory warnings, and long-term safety concerns.

JASTLabs' therapeutic intent with JL-112 is not merely to introduce an incremental alternative to existing treatments. It is to establish a distinct option for women who are medically contraindicated for, dissatisfied with, or unwilling to use estrogen-based therapies. By avoiding estrogen-mediated mechanisms, JL-112 is positioned to expand the addressable patient population while also aligning with prevailing clinical caution regarding long-term estrogen-based hormone exposure.

JL-112 is designed to be a regulated pharmaceutical product. There is no desire to circumvent FDA approval, nor operate as a non-prescription grey area treatment. JL-112 has been developed through disciplined formulation science. The product is designed to meet regulatory expectations, which Management understand well. Manufacturing reproducibility has been ensured for commercial realism.

Formulation and Mode of Administration

JL-112 is a proprietary topical formulation designed for topical vaginal application as a cream by the patient in small, controlled quantities. The formulation has been developed to be discreet, odorless, and suitable for regular use. The objective is to support patient comfort and long-term adherence.

The topical mode of administration enables localized therapeutic effect while reducing the systemic exposure variability that is commonly associated with oral dosing. Management believes this distinct approach offers advantages in tolerability and consistency of use. This is particularly relevant to a patient population that requires long term treatment.

JL-112 formulation has achieved room temperature shelf stability, reproducibility, and scalability, when manufactured under current Good Manufacturing Practice (GMP) conditions.

Mechanistic and Technical Safety Positioning

JL-112 is formulated to act through non-estrogenic biological pathways associated with tissue responsiveness, lubrication, and sexual function physiology. By avoiding estrogen-mediated mechanisms, the product is intended to mitigate cancer-related, cardiovascular, and thrombotic risks that constrain the use of conventional hormone replacement therapies. This mechanistic positioning may increase physician confidence in prescribing, and patient willingness to seek and continue therapy. This is particularly important among women who have declined or discontinued estrogen-based treatments due to perceived or actual risk. JL-112's formulation strategy arises from applied experience in real-world clinical and compounding pharmacy environments, as the original foundation for development decisions pertaining to JL-112.

Intended Patient Experience and Compliance

JL-112 is intended to be prescribed and used in conjunction with standard medical supervision. Ease of administration, comfort, and suitability for long-term use are core design features of JL-112.

Menopausal and post-menopausal conditions are often chronic in nature, requiring therapies that patients can use consistently, and easily, without undue concern regarding cumulative risk or inconvenience. Management anticipates that a topical, non-estrogen therapy with a favorable tolerability profile will support sustained patient compliance with a minimum of complexity in medical management. Improved adherence is expected to contribute to more consistent outcomes and durable commercial performance, in market.

Development Status and Scope

JL-112 has been advancing through its development stage preparations since 2022. During this time, a structured program has been followed. This includes the definition of goals, determining formulation strategy, obtaining third party validation of the stability of the formulation, anticipation of regulatory-aligned testing, and preparing for engagement with regulatory authorities. As a result, the early stage tasks have matured into readiness for the next phase, and for the public Offering.

JL-112, the Company's initial product candidate, is now a suitable foundation for establishing the Company's operational credibility, regulatory capability, and manufacturing discipline. Such a foundation is necessary to launch future products within women's health. Additional products are already conceptualized but not included in any financial projections due to their early stage and the focus on the initial blockbuster status target.

Scientific and Development Philosophy

Applied Science Versus Speculative Discovery

JASTLabs' development philosophy is grounded in pragmatic pharmaceutical science and regulatory realism. Rather than pursuing speculative discovery-stage biology or novel molecular entities with uncertain translational pathways, the Company focuses on formulation-driven innovation informed by established physiological principles and real-world clinical experience. This reduces cost and accelerates commercialization. It is a focus on commercial applications rather than theory.

Management believes that women's health can be enhanced via delivery mechanisms, safety profiles, and patient usability as well, not only new biological hypotheses. This commercialization approach reduces development uncertainty for investors while staying consistent with regulatory frameworks for safety, reproducibility, and effectiveness.

Foundation in Real-World Clinical Experience

The scientific rationale underlying JL-112 originally arose from the work of surgeon and physician Dr. Alvin Pettle, who has prescribed this combination of active pharmaceutical ingredients to over 200 menopausal and post-menopausal female patients. Dr. Pettle has observed safety, efficacy and positive outcomes in these patients. The combination was prepared and dispensed through compounding pharmacy. Management believes that this applied research contributes significant competitive advantage and reduces reliance on purely theoretical assumptions.

Formulation Stability and Scalability

JASTLabs development efforts have led to patent pending status with 32 novel claims. Research has emphasized, among other things, formulation stability (shelf-life and sustained quality), consistency of delivery (patient compliance), and reproducibility at scale (reliable commercial manufacturing).

Continuing work includes assessment of formulation stability, dosing parameters, and manufacturing reproducibility to meet anticipated regulatory submission requirements. Management views its successful achievement of extended shelf-life under standard storage conditions, now attained, as the key development milestone to-date supporting practical commercialization.

Regulatory-Aware Development Discipline

From its inception, JL-112's development program has been structured with regulatory expectations in mind. Management continues to align scientific validation with established approval pathways. The objective is to reduce the time, cost, and uncertainty associated with development.

This "regulatory-aware" posture drives decisions regarding study design, endpoint selection, manufacturing controls, and documentation practices. JASTLabs' calibration of development activities with subject matter experts, regulatory expectations support engagement with regulatory authorities. This reduces the likelihood of downstream delays or rework.

While regulatory outcomes cannot be assured, JASTLabs' development philosophy emphasizes insightful preparation and commercial discipline rather than merely assuming or hoping for favorable results.

Intellectual Property and Competitive Positioning

Role of Intellectual Property in Value Creation

Intellectual property protection is a central feature of JASTLabs Corporation's long-term value creation strategy for shareholders. Management treats intellectual property not merely as a defensive legal mechanism. It is an integrated system. Our strategy goes beyond merely deterring competitive entry, to encouraging strategic partnerships over time, by reducing risks for future partners through protection. JASTLabs International Patent Application Number: PCT/CA2025/050571, Publication Number: WO2025222280A1 (Published October 30, 2025) is titled Stable Topical Compositions for Treating Atrophic Vaginitis.

The patent relates to stable topical compositions including peptide hormone-based formulations (e.g. Involving oxytocin) for women's health conditions avoiding estrogen-related risks. This significant innovation drives shareholder value. The combination of this innovation with formal protection strengthens the Company's position in the event of merger and acquisition negotiations and creates growing brand name recognition for the Company itself as well as for its product(s). Today's patients are more aware than ever of pharmaceutical company identities, and the names of their products, as patients adopt a more assertive relationship with their practitioners.

Given the formulation-driven nature of JL-112, intellectual property is intended to protect formulations, delivery methods, stability characteristics, manufacturing processes, and therapeutic use parameters. JASTLabs intellectual property, both formal and informal (such as know-how) supports enterprise value and strategic relevance to commercial partners and acquirers.

Multi-Layered Protection Strategy

JASTLabs' intellectual property strategy is designed to protect multiple layers of value associated with JL-112, internationally. JASTLabs has featured maximum possible global patent treaty cooperation opportunities. Key factors are:

- Proprietary formulations
- Methods of topical delivery
- Stability characteristics and shelf-life advancements
- Manufacturing processes and reproducibility parameters
- Therapeutic use cases and treatment regimens
- Future new Indications

A multi-dimensional approach is known to create more durable barriers to entry and improve asset resilience across varying regulatory and enforcement environments, particularly in the pharmaceutical sector.

Practical Know-How as Competitive Barrier to Entry

In addition to formal patent filings, JASTLabs has developed applied formulation know-how. This has been earned through long-term engagement with patients, clinicians, and compounding pharmacy environments. This accumulated practical knowledge represents a competitive asset. It is not easily replicated by others through reverse engineering or review of published literature. In the case of merger and acquisition negotiations, this internal know-how contributes a "goodwill" valuation calculation that exceeds the book value of the enterprise that would be derived from cash expenditures alone.

Competitive Landscape and Barriers to Entry

The existing competitive landscape for menopausal and post-menopausal therapies is broad and fragmented. It encompasses estrogen-based hormone replacement therapies, off-label pharmaceuticals, compounded formulations, supplements, and non-treatment as a deliberate choice. Despite the size of the underlying patient population, no single treatment solution has emerged that, according to market studies, simultaneously balances safety, tolerability, regulatory legitimacy, and suitability for long-term use across a large proportion of women.

JL-112 is differentiated within this landscape by its non-estrogen formulation, topical delivery, regulatory development posture, and emphasis on reproducibility and sexual health dimension.

Regulatory approval, combined with intellectual property protection and manufacturing discipline, provide meaningful barriers to entry and support brand distinction that can be durable over decades. Management recognizes that competitive dynamics will evolve over time. Future competitive innovation may emerge. The Company does not solely rely on assumed market exclusivity, but rather on disciplined execution, regulatory credibility, commercial acumen and internally generated innovation to maintain the market leadership that JASTLabs is targeting.

Regulatory and Manufacturing Strategy

Regulatory Philosophy and Approval Pathways

JASTLabs' regulatory strategy has balanced scientific rigor, patient safety, and development efficiency. From inception, the Company has structured the development of JL-112 with awareness of regulatory expectations.

JL-112 is positioned as a formulation-driven therapeutic that is grounded in established physiological principles and applied experience. Management will engage constructively with regulatory authorities to determine the most efficient approval pathway based on the product's formulation, delivery method, and intended use. Regulatory outcomes cannot be assured; however, JASTLabs' stance is in keeping with the latest initiatives of the US FDA Center for Drug Evaluation and Research. The United States is the preferred initial market for JL-112.

Development Alignment and Risk Mitigation

Development activities for JL-112 were designed to generate data aligned with regulatory expectations for safety, tolerability, and reproducibility. Management has avoided incoherence between development scope and product risk profile.

Regulatory risk is inherent in pharmaceutical development. JASTLabs has mitigated this risk through conservative planning, early engagement, and alignment between scientific validation, manufacturing readiness, and documentation practices.

Manufacturing Model and Contract Manufacturing

JASTLabs does not currently operate pharmaceutical manufacturing facilities. Instead, the Company intends to utilize qualified third-party contract manufacturing organizations (CMOs). This industry subsector has emerged to regulate pharmaceutical production that is compliant with good manufacturing process (GMP) certifications. Such organizations are eager to partner for the production of approved pharmaceuticals. The Company plans to use multiple CMO's to provide a constant supply of JL-112. This asset-light manufacturing model preserves capital, reduces execution risk, and maintains flexibility as JL-112 advances toward commercialization. Access to established GMP-certified infrastructure allows the Company to focus resources on formulation development, regulatory progress, and commercialization readiness rather than premature capital-intensive buildout.

Scalability and Quality Assurance

A central objective of JASTLabs' manufacturing strategy is the reproducible production of JL-112 at commercial scale without compromising formulation integrity or regulatory compliance. Development work has emphasized formulation consistency and shelf-life stability as prerequisites for viable commercialization. Contract manufacturing with GMP-certified partners delivers this.

The Company and its manufacturing partners will enter into quality agreements that will provide the Company with the right to inspect third party manufacturing facilities for GMP compliance and will define accountability for batch consistency, stability, and traceability. Such disciplined partner selection and oversight reduce the likelihood of disruption while supporting scalable growth.

Commercialization and Revenue Model

Commercialization Philosophy and Brand Courage

JASTLabs' commercialization philosophy is grounded in the view that regulatory approval alone does not ensure meaningful patient adoption or durable commercial success. Successful commercialization requires assertive credible differentiation, physician confidence, and clear communication of patient-relevant benefits.

Management will not rely upon commercialization as a passive consequence of regulatory success. Neither will Management rely on outsourced licensing to drive sales. Instead, JASTLabs will actively shape how JL-112 is introduced. The Company will ensure that this treatment breakthrough is understood so that it can be adopted within clinical practice. At all times, JASTLabs will remain aligned with regulatory requirements pertaining to claims, promotion, and patient communication.

Management believes that effective commercialization of JL-112 requires a degree of *brand courage*: a willingness to address quality-of-life and sexual health considerations in marketing openly, responsibly, and without embarrassment. The Company does not intend to sensationalize these dimensions, but neither does it intend to minimize their importance to patients. This balanced posture can differentiate JL-112 from both estrogen-based therapies and informal alternatives. This approach will support relatable engagement with a large segment of the target patient population. This stance supports the growth of JASTLabs enterprise value.

Physician Engagement and Market Entry

Earliest commercialization efforts will cultivate awareness and understanding by physician segments that are most directly involved in menopausal and post-menopausal care. These include Key opinion leaders among gynecologists, endocrinologists and selected primary care providers with relevant specialization. Physician engagement will emphasize:

- *Non-estrogen differentiation*
- *Safety and tolerability considerations*
- *Appropriate patient selection*
- *Real-world usability and long-term compliance boosted by sexual health benefits*

Management believes that physician confidence is best earned through clarity and consistency, supported by promotional intensity to penetrate prevailing information "noise" in the industry. The sheer abundance of information available today increases the need for extensive projection of desired messaging; extensive (responsible) marketing of JL-112's approved claims.

It is a feature of contemporary American pharmaceutical industry success that protagonists compete for attention and stand proudly on their scientific and regulatory achievements.

In the U.S. marketplace specifically, both consumers and practitioners expect assertive marketing of an approved, breakthrough product. In this ecosystem, an overly conservative approach, characterized by reticence, leaves commercial success under-realized.

As familiarity with JL-112 increases and clinical comfort grows, broader physician adoption is anticipated, subject to permitted claims and reimbursement considerations, as well as self-advocacy by patients. The key success factor in this assertive marketing strategy is to earn, and then adhere authentically, to valuable FDA permitted claims exclusively, and avoid wandering beyond clearly established guard rails.

Role of Sexual Health and Pleasure in Adoption

Management recognizes that therapies addressing menopausal comfort intersect with sexual health and intimacy. In the context of JL-112, these dimensions are not incidental but central to patient motivation, adherence, and perceived value. This is the basis of anticipated commercial success for JL-112.

While claims and communications will remain aligned with regulatory guidance and standards of good taste, Management believes that acknowledging the role of sexual well-being and pleasure is both realistic and necessary. Patients do not evaluate therapies solely on the basis of symptom elimination, but also on their impact on confidence, relationships, and overall quality of life.

Management believes that when sexual health benefits are addressed responsibly within a framework of medical legitimacy, patient trust and engagement will be substantial. This understanding drives the Company's confident commercialization posture and is expected to support strong patient adherence and repeat utilization over time. The strategy is based on the principle that the product's effectiveness will become topical in society at large. Understanding the "pleasure factor" for patients using JL-112 is key to understanding the dual nature of the success drivers of JL-112. The medication serves to both reduce menopausal discomfort, and increase pleasure from sexual activity via libido and physical comfort. This central premise is a material distinction from present treatment conventions.

Revenue Characteristics and Recurrence

JASTLabs intends to generate initial revenue through the sale of JL-112 to consumers by prescription following regulatory approval. The Company's revenue model is grounded in recurring demand arising from the biological and behavioral realities of menopause and post-menopause, which represent prolonged life stages rather than transient medical events. The Company's goal is to reach the $1 Billion per year blockbuster threshold by delivering validated, unique, and much appreciated relief to menopausal or post-menopausal women internationally.

Unlike therapies addressing episodic or acute conditions, JL-112 is intended for use in a context where patient need and quality-of-life considerations is known to persist over extended periods – sometimes decades.

This pattern supports demand dynamics that are more predictable than average in the pharmaceutical field. This market dynamic has favorable patient lifetime value characteristics following regulatory approval. Pricing strategy can be managed to reflect these factors, and reimbursement conditions.

Profitable pricing arises from JL-112's positioning as a patent protected and regulated pharmaceutical that offers long-term reliability, safety assurance, and consistent quality. Management does not intend to compete with unregulated substitutes on price, but rather to balance patient accessibility, physician comfort, payer considerations, and sustainable enterprise margins. A key characteristic of the pharmaceutical industry, and the key to the appeal of JASTLabs Corporation to early stage investors, is the well-established fact that approved pharmaceuticals that deliver on their claims, to large market cohorts, can be intensely profitable.

While no assurance can be given regarding commercial outcomes, Management believes that the combination of demographic inevitability, recurring use potential, and disciplined commercialization supports the prospect of substantial and durable revenue generation if execution milestones are achieved.

Management and Long-Term Vision

Management Experience and Operating Temperament

JASTLabs is led by Management with extensive relevant experience. This includes pharmaceutical development, formulation science, regulated commercialization, intellectual property strategy, and public-company operations. This experience informs a pragmatic operating temperament characterized by realism, decisiveness, and respect for regulatory and market complexity. Under the leadership of Mr. Michael Rubin, JASTLabs' operations benefit from career leadership within the most successful pharmaceutical enterprises, including management of some of the most successful and trusted pharmaceuticals by sales and social impact.

The Company's Chief Executive Officer, Michael Rubin, believes, and has demonstrated, that successful pharmaceutical enterprises are built through disciplined execution rather than aspirations alone. Accordingly, JASTLabs operational decisions are guided by feasibility, regulatory alignment, and commercial realism, rather than by speculative assumptions.

The Company's leadership is comfortable operating in environments requiring both scientific rigor and public-facing communication. This includes engagement with regulators, investors, physicians, and strategic partners, as well as participation in public capital markets where clarity, consistency, and accountability are expected.

Cultural Responsibility and Corporate Identity

JASTLabs' corporate identity is grounded in respect for patients, scientific integrity, and social responsibility. The Company is not a trivial start-up, and does not seek controversy. JASTLabs engages thoughtfully in public discourse, guided by evidence and regulatory legitimacy.

Management believes that enterprises capable of combining scientific credibility, commercial confidence, and cultural responsibility are positioned to create durable value over time. This belief informs JASTLabs' long-term vision as a public pharmaceutical company that is committed to meaningful social contribution, sustained profitability and shared success with its shareholders.

FDA Approval Considerations Applicable to JL-112

JL-112 has been conceived as a formulation-driven pharmaceutical product that combines or reformulates ingredients with established histories of safety and effectiveness for other approved or widely accepted medical uses. While JL-112 represents a new proprietary preparation intended for a specific therapeutic context, its development profile differs materially from that of a "novel molecular entity".

As a result, JASTLabs believes that certain FDA regulatory mechanisms may be applicable to reduce development complexity, time, and cost relative to entirely new ("De Novo") drug development. Regulatory outcomes, however, do remain subject to FDA review and approval cannot be assured.

Relevance of Existing Safety and Effectiveness Knowledge

Individual components incorporated into JL-112 have been previously characterized through FDA approvals, published scientific literature, and/or long-standing clinical use. This body of knowledge may enable the FDA to rely, in part, on existing safety and pharmacological data when evaluating JL-112 as a combined formulation.

This approach is consistent with FDA principles intended to avoid unnecessary duplication of prior scientific work while maintaining appropriate standards of patient safety. In such circumstances, regulatory review may focus more narrowly on the following factors rather than requiring complete redevelopment of foundational toxicology that is already well understood.

- *The specific formulation and combination;*
- *The method of administering the medication;*
- *Local tolerability and exposure characteristics;*
- *Safety considerations arising from the combination or delivery method.*
- *Efficacy in its intended use (on-label)*

Potential Applicability of the Section 505(b)(2) NDA Pathway

JL-112 may be eligible for review under **Section 505(b)(2)** of the Federal Food, Drug, and Cosmetic Act, a regulatory pathway designed for drugs that are not entirely novel and that can rely, in part, on the FDA's prior findings of safety and effectiveness for approved drugs or on published literature.

If applicable, this pathway would allow JASTLabs to:

- *Reference existing FDA approvals and scientific literature for individual components;*

- *Conduct only those additional studies necessary to address differences in formulation, delivery, dosage, or intended use;*
- *Focus development efforts on demonstrating that JL-112, as formulated, is safe and effective for its intended indication.*

The 505(b)(2) pathway is commonly used for reformulations, combination products, and alternative routes of administration, and is well established within the FDA regulatory framework.

Focused and Efficient Clinical Development

Where reliance on existing data is accepted by the FDA, clinical development for JL-112 may emphasize the following rather than large, multi-year pre-clinical programs typically required for novel compounds. Such focused development programs, if accepted by regulators, may reduce both development timelines and capital requirements.

- *Local safety and tolerability;*
- *How the patient's body reacts to the medication;*
- *Demonstration of therapeutic benefit for the intended use.*

Implications for Time, Cost, and Commercial Readiness

If JL-112 is successfully advanced through a regulatory pathway that leverages existing safety and effectiveness knowledge, potential benefits may include:

- *Shortened development timelines;*
- *Reduced cumulative development expenditures;*
- *Earlier focus on manufacturing scale-up and commercialization preparation;*
- *Improved predictability relative to de novo drug development;*

These potential efficiencies are central to JASTLabs' capital allocation and commercialization planning, though they remain subject to regulatory review and execution risk.

Concluding Perspective

JASTLabs believes this approach reflects regulatory realism, capital discipline, and respect for patient safety.

While no regulatory pathway eliminates uncertainty, the FDA framework provides established mechanisms that, when appropriately applied, may enable differentiated therapies such as JL-112 to reach patients more efficiently without compromising regulatory integrity.

These and other material competitive advantages distinguish JASTLabs Corporation public offering from conventional pharmaceutical early stage aspirants.

The public offering, as the next major phase of JASTLabs Corporation's development path, shares ownership of a business vision with professional and public investors. This vision draws from precedent. Well-conceived and well-funded pharmaceutical launches have demonstrated the capacity to generate growth in enterprise value and recurring profitability, often lasting decades, if appropriate planning calibrates market factors and proper execution.

JASTLabs has already demonstrated competence in all development work to date and is led by highly regarded management that has suitable experience and earned an excellent reputation within this sector

Regulation

We are preparing for regulatory approval in the United States through the Food and Drug Administration ("FDA"). To that end, the Company plans to file an Investigational New Drug (IND) application with the FDA to conduct Phase I clinical trials in the United States.

Estimated Costs Associated with JASTLabs Preparation and Filing of Investigational New Drug Application with the FDA

The estimated costs associated with preparation and submission of an Investigational New Drug ("IND") application for JL-112 are expected to be substantially lower than those typically incurred for a novel chemical entity, due to the formulation-driven nature of the product and the prior FDA approval of its individual components for adjacent indications under the FDA's Section 505(b)(2) NDA pathway Actual costs will depend on the scope of studies required by the FDA and the outcome of regulatory interactions.

Based on management's current assessment, the Company estimates that total expenditures from the present date through the filing of an IND may range approximately as follows:

- **Preclinical and Nonclinical Activities:**

  Approximately **$3,000,000 to $4,500,000**, consisting primarily of targeted toxicology, local tolerability, formulation compatibility, and any limited animal or in vitro studies required to address the specific combination, route of administration, or exposure characteristics of JL-112. Management anticipates that reliance on existing safety and pharmacological data for individual components may reduce the need for extensive new toxicology programs.

- **Chemistry, Manufacturing, and Controls (CMC):**

  Approximately **$1,500,000 to $3,000,000**, including GMP formulation scale-up for clinical use, stability studies, analytical method validation, and preparation of manufacturing documentation required for the IND submission.

- **Regulatory Consulting, Writing, and FDA Interaction:**

  Approximately **$400,000 to $1,000,000**, including regulatory strategy consulting, IND preparation and compilation, FDA correspondence, and preparation for pre-IND or IND-related meetings.

- **Clinical Protocol Development and Supporting Documentation:**

  Approximately **$300,000 to $800,000**, including clinical trial protocol design, investigator brochures, informed consent documentation, and related planning activities required prior to initiation of clinical studies.

Accordingly, management currently estimates that aggregate costs through IND submission and effectiveness may range from approximately **$5 million to $ 6.5 million**, assuming no material delays, clinical holds, or unanticipated data requests from the FDA.

Timing Considerations

Subject to funding availability and regulatory feedback, management estimates that the activities required to prepare and submit an IND could be completed within approximately **9 to 15 months**. The IND would become effective 30 days after FDA receipt unless the FDA raises questions or places the IND on clinical hold.

Cautionary Statement

These estimates represent management's current expectations based on comparable development programs and publicly available regulatory guidance. Actual costs and timelines may vary materially depending on FDA requirements, study design, manufacturing considerations, and other factors outside the Company's control.

Background to INDs in General

Prior to commencing the first clinical trial with a product candidate in the U.S., the Company must submit an IND to the FDA. An IND is a request for authorization from the FDA to administer an investigational product to humans. The central focus of an IND submission is on the general investigational plan and the protocol(s) for human studies. The IND also includes results of animal and in vitro studies assessing the toxicology, pharmacokinetics, pharmacology, and pharmacodynamic characteristics of the product; chemistry, manufacturing, and controls information; and any available human data or literature to support the use of the investigational product. An IND must become effective before human clinical trials may begin in the US. The IND submission must include:

- Preclinical safety and efficacy data, incorporating findings from both laboratory and animal studies, as well as manufacturing and quality control data, ensuring the scalability and reproducibility of production;
- Clinical trial protocols, detailing study design, dosing regimens, safety monitoring, and patient selection criteria;
- Volunteer/Patient Informed Consent Form;
- The steps the Company needs to take before the Company can file its IND application with the FDA;
- The estimated time that will be needed to complete each step;
- The estimated funding the Company will need from today until the day after the Company files its IND application.

Upon IND approval, the Company will proceed with clinical trials, advancing its development program toward regulatory approval.

The FDA regulates a number of products, including foods, drugs, biologics and medical devices under the Federal Food, Drug, and Cosmetic Act, or FDCA, and the Public Health Service Act, or PHSA, and their implementing regulations. The process required by the FDA before these product candidates may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests and animal studies performed in accordance with the FDA's Good Laboratory Practice, or GLP, regulations;
- submission to the FDA of an investigational new drug application, or IND, which must become effective before clinical trials may begin and must be updated annually;

- approval by an independent Institutional Review Board (or IRB) or ethics committee at each clinical site before the trial is initiated;
- performance of adequate and well-controlled human clinical trials in compliance with Good Clinical Practice, or GCP, regulations to establish the safety, purity, and potency of the proposed product candidate for its intended purpose;
- preparation of and submission to the FDA of a New Drug Application, or NDA, after completion of clinical trials;
- satisfactory completion of an FDA Advisory Committee review, if applicable;
- a determination by the FDA within 60 days of its receipt of an NDA to file the application for review;
- satisfactory completion of an FDA pre-approval inspection of the manufacturing facility or facilities at which the proposed product is produced to assess compliance with current Good Manufacturing Practice, or cGMP, requirements and to assure that the facilities, methods, and controls are adequate to preserve the product's continued safety, purity, and potency, and of selected clinical investigations to assess compliance with GCPs; and
- FDA review and approval of the NDA to permit commercial marketing of the product for particular indications for use in the United States.

The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, raises safety concerns or questions about the proposed clinical trial. In such a case, the IND may be placed on clinical hold, and the IND sponsor and the FDA must resolve any outstanding concerns or questions before the clinical trial can begin. Submission of an IND therefore may or may not result in FDA authorization to commence a clinical trial.

Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified investigators in accordance with GCPs, which include the requirement that all research subjects provide their informed consent for their participation in any clinical study. Clinical trials are conducted under protocols detailing, among other things, the objectives of the study, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development and for any subsequent protocol amendments. Furthermore, an independent IRB for each site proposing to conduct the clinical trial must review and approve the plan for any clinical trial and its informed consent form before the clinical trial commences at that site, and must monitor the study until completed. Regulatory authorities, the IRB, or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk. Some studies also include oversight by an independent group of qualified experts organized by the clinical study sponsor, known as a data safety monitoring board (DSMB) or independent data monitoring committee (IDMC), which provides recommendations for whether or not a study should move forward at designated check points based on access to certain data from the study and may suggest halting the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy. There are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries.

For purposes of the approval of an NDA, human clinical trials are typically conducted in three or four sequential phases that may overlap.

- Phase 1 — The investigational product is initially introduced into healthy human subjects or patients with the target disease or condition. These studies are designed to test the safety, dosage

tolerance, absorption, metabolism and distribution of the investigational product in humans and the side effects associated with increasing doses. Sample size: 20-50 subjects, duration 2-4 weeks

- Phase 2 — The investigational product is administered to a limited patient population with a specified disease or condition to evaluate preliminary efficacy, optimal dosages, and dosing schedule, and to identify possible adverse side effects and safety risks. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials. Sample size: **100–300 patients. Duration: 8–12 weeks**
- Phase 3 — The investigational product is administered to an expanded patient population to further evaluate dosage, to provide statistically significant evidence of clinical efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the investigational product and to provide an adequate basis for product approval. Sample size: **500–1500+ patients, Duration: 3–6 months (sometimes longer)**
- Phase 4 — In some cases, the FDA may require, or companies may voluntarily pursue, additional clinical trials after a product is approved to gain more information about the product. The FDA may also make these so-called Phase 4 or post-marketing studies a condition to approval of the NDA. Sample size: **500 – 5,000+ patients,** Duration: **1–5 years.**

Phase 1, Phase 2, and Phase 3 testing may not be completed successfully within a specified period, if at all, and there can be no assurance that the data collected will support FDA approval or licensure of the product. Concurrent with clinical trials, companies may complete additional animal studies and develop additional information about the characteristics of the product candidate and must finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, must develop methods for testing the identity, strength, quality, and purity of the final product.

Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

New Drug Application (NDA) Submission and Review by the FDA

Assuming successful completion of all required testing in accordance with all applicable regulatory requirements, the results of product development, nonclinical studies, and clinical trials are submitted to the FDA as part of an NDA requesting approval to market the product for one or more indications. The NDA must include all relevant data available from pertinent preclinical and clinical studies, including negative or ambiguous results as well as positive findings, together with detailed information relating to the product's chemistry, manufacturing, controls, and proposed labeling, among other things. Data can come from company-sponsored clinical studies intended to test the safety and effectiveness of the use of the product, or from a number of alternative sources, including studies initiated by investigators.

In most cases, the submission of an NDA is subject to a substantial application user fee. Under the goals and policies agreed to by the FDA under the Prescription Drug User Fee Act, or PDUFA, for original NDAs, the FDA's goal is to review the NDA within ten months after it accepts the application for filing, or, if the product relates to an unmet medical need for a serious indication and has received a priority review designation, six months after the FDA accepts the application for filing.

After filing the marketing application, the FDA reviews an NDA to determine, among other things, whether a product is safe, pure, and effective, and the facility in which it is manufactured, processed, packed, or held meets standards designed to ensure the product's continued safety, purity, and efficacy. Before

approving an NDA, the FDA will typically inspect the facility or facilities where the product is manufactured. The FDA will not approve a biological product for marketing unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA will typically inspect one or more clinical sites to ensure compliance with GCPs. If the FDA determines that the data provided in the application, or the manufacturing process or manufacturing facilities for the product are not acceptable, it will outline the deficiencies in the submission and often will request additional testing or information. Notwithstanding the submission of any requested additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. The FDA also may refer applications for novel candidates which present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation, and a recommendation as to whether the application should be approved and under what conditions, if any. The FDA is not bound by recommendations of an advisory committee, but it considers such recommendations when making decisions on approval.

After the FDA evaluates an NDA and conducts inspections of manufacturing facilities where the product will be produced, the FDA may issue an approval letter or a Complete Response Letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications. A Complete Response Letter indicates that the review cycle of the application is complete, but the application is not ready for approval. A Complete Response Letter may request additional information or clarification, including new clinical studies. The FDA may delay or refuse approval of an NDA if applicable regulatory criteria are not satisfied, require additional testing or information, and/or require post-marketing testing and surveillance to monitor the safety or efficacy of a product. If a Complete Response Letter is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information are submitted, the FDA may decide that the resubmitted NDA does not satisfy the criteria for approval.

If a product receives regulatory approval, such approval is limited to the conditions of use (e.g., patient population, indication) described in the application. Further, depending on the specific risk(s) to be addressed, the FDA may require that contraindications, warnings or precautions be included in the product labeling, require that post-approval trials, including Phase 4 clinical trials, be conducted to further assess a product's safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a Risk Evaluation and Mitigation Strategy, or REMS, plan if it determines that a REMS is necessary to ensure that the benefits of the product outweigh its risks and to assure the safe use of the product, which can materially affect the potential market and profitability of the product. The REMS plan could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries, and other risk minimization tools. The FDA also may condition approval on, among other things, the development of adequate controls and specifications. Once approved, the FDA may withdraw the product approval if compliance with pre- and post-marketing regulatory standards are not maintained or if problems occur after the product reaches the marketplace. The FDA may prevent or limit further marketing of a product based on the results of post-marketing trials or surveillance programs. After approval, some types of changes to the approved product are subject to further testing requirements and FDA review and approval.

Expedited Review and Approval in the U.S.

A sponsor may seek approval of its product candidate under programs designed to accelerate the FDA's review and approval of new products that meet certain criteria. Specifically, new products are eligible for fast-track designation if they are intended to treat a serious condition and demonstrate the potential to

address unmet medical needs for the condition. For a fast-track product, the FDA may consider sections of the NDA for review on a rolling basis before the complete application is submitted if relevant criteria are met. A fast-track designated product candidate may also qualify for priority review. A Priority Review designation means the FDA's goal is to take action on an application within 6 months (compared to 10 months under standard review). An NDA must demonstrate the potential to provide a significant improvement in the safety or effectiveness of treating, diagnosing, or preventing a serious condition.

Under the accelerated approval program, the FDA may approve an NDA on the basis of a surrogate endpoint that is reasonably likely to predict a clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. Post-marketing studies or completion of ongoing studies after marketing approval are generally required to verify the clinical benefit in relationship to the surrogate endpoint or ultimate outcome in relationship to the clinical benefit. In addition, the Food and Drug Administration Safety and Innovation Act, or FDASIA, established the new Breakthrough Therapy designation. A sponsor may seek FDA designation of its product candidate as a breakthrough therapy if the product candidate is intended to treat a serious disease or condition and preliminary clinical evidence indicates that the therapy may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Sponsors may request the FDA to designate a breakthrough therapy at the time of or any time after the submission of an IND, but ideally before an end-of-phase 2 meeting with the FDA. If the FDA designates a breakthrough therapy, it may take actions appropriate to expedite the development and review of the application, which may include holding meetings with the sponsor and the review team throughout the development of the therapy; providing timely advice to, and interactive communication with, the sponsor regarding the development of the product to ensure that the development program to gather the nonclinical and clinical data necessary for approval is as efficient as practicable; involving senior managers and experienced review staff, as appropriate, in a collaborative, cross-disciplinary review; assigning a cross-disciplinary project lead for the FDA review team to facilitate an efficient review of the development program and to serve as a scientific liaison between the review team and the sponsor; and considering alternative clinical trial designs when scientifically appropriate, which may result in smaller trials or more efficient trials that require less time to complete and may minimize the number of patients exposed to a potentially less efficacious treatment.

Fast Track designation, accelerated approval, priority review and breakthrough therapy designation do not change the standards for approval but may expedite the development or approval process.

The Company may pursue various expedited regulatory pathways that are available for products addressing serious conditions, including Fast Track designation, Accelerated Approval, Priority Review, and Breakthrough Therapy designation. These programs do not alter the FDA's standards for safety and efficacy but may significantly accelerate the development and review process by facilitating earlier engagement with the FDA, enabling rolling submissions, and potentially shortening review timelines.

Post-Approval Requirements in the U.S.

All therapeutic products manufactured or distributed pursuant to FDA approval or licensure are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to record-keeping, reporting of adverse experiences, periodic reporting, product sampling and distribution, and advertising and promotion of the product. After approval, most changes to the approved product, such as adding new indications or other labeling claims, are subject to prior FDA review and approval. There are also continuing, annual user fee requirements under the Prescription Drug User Fee Act (PDUFA) for any marketed products and the establishments at which such products are manufactured, as well as new application fees for supplemental applications containing clinical data. Manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies, and are

subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements, which impose significant procedural and documentation requirements. Changes to the manufacturing process are strictly regulated and, depending on the significance of the change, may require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting requirements on manufacturers. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain compliance with cGMP and other aspects of regulatory compliance. The Company cannot be certain that it will be able to comply with the cGMP regulations and other FDA regulatory requirements. If the Company is not able to comply with these requirements, the FDA may, among other things, take enforcement action or seek sanctions against use, impose restrictions on a product or its manufacturer, require the Company to recall its product from distribution, or withdraw approval of the NDA.

The FDA may withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market, or product recalls;
- fines, warning letters, or holds on post-approval clinical studies;
- product seizure or detention, or refusal to permit the import or export of products;
- injunctions or the imposition of civil or criminal penalties; and
- consent decrees, corporate integrity agreements, debarment, or exclusion from federal healthcare programs; or mandated modification of promotional materials and labeling, and the issuance of corrective information.

The FDA closely regulates the marketing, labeling, advertising, and promotion of the products it regulates. A company can make only those claims relating to safety and efficacy, purity, and potency that are approved by the FDA and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of unapproved, or "off-label," uses. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising, and potential civil and criminal penalties. The FDA does restrict manufacturers' communications on the subject of off-label use of their products.

Other U.S. Health Care Laws

The Company's sales, promotion, medical education and other activities following product approval will be subject to regulation by numerous regulatory and law enforcement authorities in the United States in addition to the FDA, including potentially the Federal Trade Commission, the Department of Justice, the Centers for Medicare and Medicaid Services, other divisions of the Department of Health and Human Services and state and local governments. The Company's promotional and scientific/educational programs must comply with the anti-kickback provisions of the Social Security Act, the Foreign Corrupt Practices Act, the False Claims Act, the Physician Payments Sunshine Act, the Veterans Health Care Act and similar state laws.

Depending on the circumstances, failure to meet these applicable regulatory requirements can result in criminal prosecution, fines or other penalties, exclusion from government health care programs, injunctions, recall or seizure of products, total or partial suspension of production, denial or withdrawal of pre-marketing product approvals, private "qui tam" actions brought by individual whistleblowers under the False Claims Act in the name of the government or refusal to allow the Company to enter into supply contracts, including government contracts.

Coverage, Pricing and Reimbursement in the U.S.

Sales of products depend significantly on the availability of third-party coverage and reimbursement. Third-party payors include government health administrative authorities, managed care providers, private health insurers, and other organizations. These third-party payors are increasingly challenging the price and examining the cost-effectiveness of medical products. In addition, significant uncertainty exists as to the reimbursement status of newly approved healthcare products, including the Company's product. The Company may need to conduct pharmacoeconomic, studies to demonstrate the comparative cost-effectiveness of its product. In the unlikely event that the Company's product may not be considered cost-effective. Reimbursement may not be available or sufficient to allow the Company to sell its product on a competitive and profitable basis.

The United States and some foreign jurisdictions are considering or have enacted a number of legislative and regulatory proposals to change the healthcare system in ways that could affect the Company's ability to sell its product profitably. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality, and/or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

Product Liability Insurance

The Company is in the process of obtaining product liability insurance. The successful prosecution of a product liability case against the Company could have a materially adverse effect upon its business if the amount of any judgment exceeds the insurance coverage. Admissible claims that may be brought against the Company could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by the Company's insurance or that is in excess of the limits of the insurance coverage. The Company's insurance policies may also have various exclusions, and the Company may be subject to a claim for which the Company has no coverage. The Company may have to pay any amounts awarded by a court or negotiated in a settlement that exceed the coverage limitations or that are not covered by its insurance, and the Company may not have, or be able to obtain, sufficient capital to pay such amounts.

Intellectual Property

As of the date of this Private Offering Memorandum, the Company has filed one patent application with more than 32 individual claims. Patents protect the Company's technology and prevent anyone from using its technology without the Company's permission.

In addition to filing patents, the Company will take appropriate steps to protect its intellectual property. The Company has rules and processes to protect its trade secrets, private information, and other intellectual property. Access to sensitive information is restricted, non-disclosure agreements (NDAs) are used, and potential infringement is monitored. In addition, we use Egnyte, a cloud encryption-based data management platform structured to comply with FDA regulations, to store and share any documents or files. The

platform includes general data protection and compliance for storing files, documents, and data securely. The Company will also undertake IP audits regularly to identify areas of risk and verify that the relevant legal safeguards are in place.

General

We were incorporated in Ontario, Canada on October 24, 2022.

As of the date of this Private Offering Memorandum, we had one part-time employee, that being our Chief Executive Officer, who plans to spend at least 80% of his time on our business.

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Information on our website is not part of this Private Offering Memorandum.

RISK FACTORS

Investors should be aware that this offering involves certain risks, including those described below, which could adversely affect the value of the Company's Series A-1 Preferred stock. The Company does not make, nor has it authorized any other person to make, any representation about the future market value of the Company's Series A-1 Preferred stock. In addition to the other information contained in this Private Offering Memorandum, the following factors should be considered carefully in evaluating an investment in the Company's Series A-1 Preferred stock.

Risks Related to Our Company

We are an early-stage company and have not yet achieved profitability.

As of the date of this Private Offering Memorandum and since our inception, we have not yet generated revenue and have incurred net losses, as expected for a company in the product development stage. Any forecasts we make concerning our operations may prove to be inaccurate. Our prospects must be considered in light of the risks, expenses, and difficulties frequently encountered by companies in the early stage of development. As a result of these risks, challenges, and uncertainties, the value of your investment could be significantly reduced or completely lost.

We may not be able to continue as a going concern.

Our expected continued future losses as we are continuing to develop our product raise doubt about our ability to continue as a going concern. Our ability to remain operational is contingent on obtaining additional financing and successfully executing our business plan.

Risks Related to Clinical Development, Government Approvals and the Marketing of our Product

The Company's Product Has Not Been Approved for Sale

The Company's product has not been approved for sale, and the Company cannot guarantee that it will ever be approved. Its product is subject to premarket approval from the FDA in the United States, the EMA in the European Union, and by comparable agencies in most foreign countries before it can be sold. Before obtaining marketing approval, its product must undergo costly and time-consuming clinical testing, which could subject the Company to unanticipated delays and may prevent the Company from marketing its product in the future. There can be no assurance that such approvals will be granted on a timely basis, if at all.

Our product is currently under development.

While regulatory authorities in certain countries have created expedited programs for breakthrough therapies, our technology will still need to navigate the regulatory approval process, which can be time-consuming and costly. Obtaining regulatory approval can be a lengthy and complex process with no guarantee of success. Failure to obtain necessary approvals would significantly hinder market entry and commercialization. There is also the possibility of changes in regulations that might affect us.

The time required to obtain approvals from regulatory authorities in different countries may be shorter or longer than that required for FDA approval, and requirements may differ from FDA requirements. We may be unable to obtain requisite approvals from foreign regulatory authorities, and even if obtained, such approvals may not be on a timely basis. If we fail to obtain timely clearance or approval for our product, our ability to market and sell our product will be limited, which will hinder our ability to generate revenue.

While our pre-clinical tests showed promising results, the performance of our product needs to be further validated in larger, more diverse populations.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of our clinical trials may not be predictive of the results of later-stage clinical trials. A number of companies in our industry have suffered significant setbacks in advanced clinical trials due to a lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Our current and future clinical trials may not be successful.

The cost of developing, validating, and commercializing a new product can be substantial.

We will need to successfully complete at least three clinical trials before the FDA will approve our product for sale. We estimate the cost of these three clinical trials will be at least $75,000,000. Accordingly, we must raise significant additional capital to pay for these clinical trials and support our operations until we are able to generate revenue.

The Company May Experience Delays in Completing its Clinical Trials

The Company may experience delays in the completion of its clinical trial, and the Company does not know whether its planned clinical trials will need to be redesigned. Clinical trials can be delayed for a variety of reasons, including delays related to:

- the availability of financial resources needed to commence and complete the planned trials;
- obtaining regulatory approval to commence a trial;
- reaching agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- obtaining Institutional Review Board, or IRB, approval at each clinical trial site;
- recruiting suitable patients to participate in a trial;
- having patients complete a trial or return for post-treatment follow-up;
- clinical trial sites deviating from trial protocol or dropping out of a trial;
- adding new clinical trial sites; or
- manufacturing sufficient quantities of the product candidate for use in clinical trials.

Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors including the competence of the Clinical Research Organization ("CRO") we will use to run the study, size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the treatment being studied in relation to other available therapies. Furthermore, the Company will rely on CROs and clinical trial sites to ensure the proper and timely conduct of the clinical trials and while the Company will have agreements governing their committed activities, the Company has limited influence over their actual performance. The Company could also encounter significant delays and/or need to terminate a development program for its product if physicians encounter unresolved ethical issues associated with enrolling patients in clinical trials for its product, while existing treatments have established safety and efficacy profiles. Further, a clinical trial may be suspended or terminated by the Company, one or more of the IRBs, by the Company upon a final recommendation by the Independent Data Monitoring Committee, or IDMC, or by FDA or other regulatory authorities due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or the clinical protocols, as a result of inspection of the clinical trial operations or trial site(s) by FDA or other regulatory authorities, the imposition of a clinical hold or partial clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. The occurrence of any one or more of these events would have significant and severe material consequences for the Company and could impact the Company's ability to continue as a going concern.

If the Company experiences termination of, or delays in the completion of, any clinical trial of its product, the commercial prospects for its product will be harmed and the ability to generate product revenues will be delayed. In addition, any delays in completing the clinical trials will increase the costs, slow the product development and approval process, and jeopardize the Company's ability to commence sales and generate revenues. Any of these occurrences may harm the Company's business, prospects, financial condition, and results of operations significantly. Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to a delay or the denial of regulatory approval for the Company's product.

A variety of issues may delay the ongoing Phase I clinical trial or future clinical trials. Early trials for the other product candidates, or the plans for later trials, may not satisfy the requirements of regulatory authorities, such as the FDA. The Company may fail to find subjects willing to enroll in the trials. Accordingly, the future clinical trials may not be completed on schedule, the FDA or foreign regulatory

agencies may order the Company to stop or modify research, or these agencies may not ultimately approve the Company's product for commercial sale. Varying interpretations of the data obtained from clinical testing could delay, limit, or prevent regulatory approval of the Company's product. The data collected from the clinical trials may not be sufficient to support regulatory approval of the Company's product. The failure to adequately demonstrate the safety and efficacy of the Company's product would delay or prevent regulatory approval of the Company's product in the United States, which could prevent the Company from achieving profitability. We will mitigate some of this risk by meeting with FDA and obtaining an agreement on the clinical trial program, statistical methodology, sample sizes, inclusion/exclusion criteria, etc.

The development and testing of product candidates, the process of obtaining regulatory approvals, and the subsequent compliance with appropriate federal, state, local, and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process, or after approval may subject an applicant to administrative or judicial sanctions. FDA sanctions could include, among other actions, refusal to approve pending applications, withdrawal of an approval, a clinical hold, termination of the clinical trials, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, and payment of civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on the Company.

The requirements governing the conduct of clinical trials, manufacturing, and marketing of the product candidates, outside the United States, vary from country to country. Foreign approvals may take longer to obtain than FDA approvals and can require, among other things, additional testing and different trial designs. Foreign regulatory approval processes include all of the risks associated with the FDA approval process. Some of those agencies also must approve prices for products approved for marketing. Approval of a product by the FDA or the EMA does not ensure approval of the same product by the health authorities of other countries. In addition, changes in regulatory requirements for product approval in any country during the clinical trial process and regulatory agency review of each submitted new application may cause delays or rejections.

Although the Company does have experience in filing and pursuing applications necessary to gain regulatory approvals, the Company will use a U.S.-based consultant to interact with the FDA. The Company will not be able to commercialize its product until the Company has obtained regulatory approval. In addition, regulatory authorities may also limit the types of patients to which the Company may market its product (if approved). Any failure to obtain or any delay in obtaining required regulatory approvals may adversely affect the Company's ability to successfully market its product if it is approved.

The Company's product may cause undesirable side effects or have other problems that could delay or prevent its regulatory approval, or result in significant negative consequences following marketing approval, if any.

Undesirable side effects caused by the Company's product could cause the Company or regulatory authorities to interrupt, delay, or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. Results of the clinical trials could reveal a high and unacceptable severity and/or prevalence of these or other side effects. In such an event, the trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order the Company to cease further development of, or deny approval of, for any or all targeted indications. Any adverse side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may harm the Company's business, financial condition, and prospects significantly.

Additionally, if the Company's product receives marketing approval, and the Company or others later identify undesirable side effects caused by the Company's product, a number of potentially significant negative consequences could result, including but not limited to the following:

- regulatory authorities may withdraw approvals of the product or require product recalls;
- regulatory authorities may require additional warnings on the label or impose restrictions on product distribution or use;
- regulatory authorities may require the Company to conduct new post-marketing studies or clinical trials;
- the Company could receive warning or untitled letters from the FDA or comparable notice of violations from foreign regulatory authorities;
- the Company may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- the Company could be sued and held liable for harm caused to patients; and
- the Company's reputation may suffer.

Any of these events could prevent the Company from achieving or maintaining market acceptance of its product, if approved, and could significantly harm its business, results of operations and prospects.

The Company will rely on third parties to conduct its clinical trials. If these third parties do not successfully carry out their contractual duties and meet regulatory requirements, or meet expected deadlines, the Company may not be able to obtain regulatory approval for or commercialize its product and its business could be substantially harmed.

The Company does not have the ability to independently conduct large clinical trials. The Company will rely upon third-party CROs to prepare for, conduct, monitor, and manage data for its future clinical trials. The Company will rely upon these parties for many aspects of the execution of its clinical trials and although the Company will oversee and carefully manage the CROs, the Company will directly control only certain aspects of their activities and will rely upon them to provide timely, complete, and accurate reports on the conduct of the studies. Although such third parties will provide support and represent the Company for regulatory purposes in the context of the clinical trials, ultimately, the Company is responsible for ensuring that each of the studies is conducted in accordance with the applicable protocol, legal, regulatory, and scientific standards, and the reliance on the CROs does not relieve the Company of its regulatory responsibilities. The Company and the CROs acting on the Company's behalf, as well as principal investigators and trial sites, will be required to comply with Good Clinical Practice, or GCP, and other applicable requirements, which are implemented through regulations and guidelines enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area, or EEA, and comparable foreign regulatory authorities for all of the products in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators, and trial sites. If the Company or any of the CROs fail to comply with applicable GCPs or other applicable regulations, the clinical data generated in the clinical trials may be determined to be unreliable and the Company may therefore need to enroll additional subjects in the clinical trials, or the FDA, EMA or comparable foreign regulatory authorities may require the Company to perform an additional clinical trial or trials before approving the marketing applications. Moreover, if the Company or any of the CROs, principal investigators, or trial sites, fail to comply with applicable regulatory and GCP requirements, the Company, the CROs, principal investigators, or trial sites may be subject to enforcement actions, such as fines, warning letters, untitled letters, clinical holds, civil or criminal penalties, and/or injunctions. The Company cannot assure that upon inspection by a given regulatory authority, such regulatory authority will determine that

any of the clinical trials comply with cGCP regulations. In addition, Phases II and III of the clinical trials must be conducted with the product produced under cGMP regulations. The failure to comply with these regulations may require the Company to delay or repeat clinical trials, which would delay the regulatory approval process.

If any future relationships with the third-party CROs terminate, the Company may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. In addition, the CROs are not the Company's employees, and except for remedies available to the Company under the agreements with such CROs, the Company cannot control whether or not they devote sufficient time and resources to the Company's clinical trials. If CROs do not successfully fulfill their regulatory obligations, carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to the clinical protocols, regulatory requirements or for other reasons, the clinical trials may be extended, delayed or terminated, and the Company may not be able to obtain regulatory approval for, or successfully commercialize, its product. As a result, the Company's results of operations and the commercial prospects for its product would be harmed, the costs could increase, and the ability to generate revenues could be delayed.

Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays may occur, which can materially impact on the Company's ability to meet the desired clinical development timelines. Though the Company plans to diligently oversee and carefully manage its relationships with the CROs, there can be no assurance that the Company will not encounter challenges or delays in clinical development in the future or that these delays or challenges will not have a material adverse impact on the Company's business, financial condition, and prospects.

The Company may face substantial competition, which may result in others discovering, developing or commercializing competing products more quickly or more successfully than the Company.

The development and commercialization of new products is highly competitive. The Company expects to face competition with respect to its product from major pharmaceutical companies, specialty pharmaceutical companies, and biotechnology companies worldwide. Potential competitors include public and private research organizations that conduct research, seek patent protection, and establish collaborative arrangements for research, development, manufacturing, and commercialization.

Many of the companies which the Company may compete with in the future have significantly greater financial resources and expertise in research and development, manufacturing, nonclinical studies, conducting clinical trials, obtaining marketing approvals, and marketing approved products than the Company. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of the Company's potential competitors. Smaller and early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties may compete with the Company in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to the Company's product.

The Company may be unable to successfully scale-up manufacturing of its product in sufficient quality and quantity, which would delay or prevent the Company from commercializing its product, if approved for marketing by the FDA or other regulatory agencies.

In order to commercialize its product, the Company will need to manufacture its product in large quantities. The Company may be unable to successfully increase the manufacturing capacity for its product in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities.

Further, in order to release product and demonstrate stability of its product for future commercial use, the Company's analytical methods must be validated in accordance with regulatory guidelines. The Company may not be able to successfully validate or maintain validation of its analytical methods during scale-up or demonstrate adequate purity, stability or comparability of its product in a timely or cost-effective manner, or at all. Even if the Company believes its manufacturing processes meet all of the regulatory manufacturing requirements, the FDA will review those processes and any manufacturing facility used by the Company as part of the review of the future NDA if submitted after completion of future clinical trials. If the Company is unable to fully accommodate the FDA requirements for manufacturing its product of sufficient quality and quantity, the regulatory approval or commercial launch of its product may be delayed or may not be successfully achieved.

Failure to obtain or maintain adequate coverage and reimbursement for the Company' product, if approved, could limit the ability to market the Company's product and decrease the Company's ability to generate revenue.

Sales of the Company's product will depend substantially, both domestically and abroad, on the extent to which the costs of the Company's product will be paid by health maintenance, managed care, pharmacy benefit, and similar healthcare management organizations, or reimbursed by government authorities, private health insurers, and other third-party payors. The Company anticipates that government authorities and other third-party payors will continue efforts to contain healthcare costs by limiting the coverage and reimbursement levels for products. If coverage and reimbursement are not available, or are available only at limited levels, the Company may experience a reduction in sales of its product, specifically in countries where coverage or reimbursement are not available. Even if coverage is provided, the approved reimbursement for the Company's product may not be high enough to allow the Company to establish or maintain pricing sufficient to realize a return on its investment. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for the Company's product.

The Company intends to seek approval to market its product in both the United States and foreign jurisdictions. If the Company obtains approval in one or more foreign jurisdictions, the Company will be subject to rules and regulations in those jurisdictions relating to its product. In some countries, particularly the countries of the European Union, the pricing of pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, the Company may be required to conduct a clinical trial, or pharmacoeconomic study that compares the cost-effectiveness of its product to other available therapies. If reimbursement of its product is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, the Company may be unable to achieve or sustain profitability.

Even if the Company's product receives marketing approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors, and others in the medical community necessary for commercial success.

If the Company's product does not achieve an adequate level of acceptance, the Company may not generate

significant product revenues, and the Company may not become profitable. The degree of market acceptance of the Company's product, if approved for commercial sale, will depend on a number of factors, including:

- the timing of the Company's receipt of any marketing approvals;
- the terms of any approvals and the countries in which approvals are obtained;
- the efficacy and safety, and potential advantages and disadvantages compared to alternative treatments, including future alternative treatments;
- the prevalence and severity of any side effects associated with the Company's product;
- adverse publicity about the Company's product or favorable publicity about competing products;
- the approval of other products for the same indications as the Company's product;
- The Company's ability to offer its product for sale at competitive prices;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength of the Company's marketing and distribution support; and
- the availability of third-party coverage and adequate reimbursement.

If the Company's product fails to achieve market acceptance, it could have a material and adverse effect on the Company's business, financial condition, results of operation and prospects.

The Company currently has no marketing and sales force. If the Company is unable to establish effective sales or marketing capabilities or enter into agreements with third parties to sell or market its product, the Company may not be able to effectively sell or market its product, if approved, or generate product revenues.

The Company currently has no sales and marketing infrastructure due to the fact that its product is still in clinical development. To achieve commercial success for which the Company retains sales and marketing responsibilities, the Company must build its sales, marketing, managerial, and other non-technical capabilities or make arrangements with third parties to perform these services. The Company may determine that there is a need to build its own sales force in the United States for the future marketing of its product, if approved, rather than seeking a U.S. co-promotion partner or relying on a contracted sales force. There are risks involved with either establishing its own sales and marketing capabilities or entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force is expensive and time-consuming. If the commercial launch of the Company's product, for which the Company recruits a sales force and establishes marketing capabilities, is delayed or does not occur for any reason, the Company would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and its investment would be lost if the Company cannot retain or reposition its sales and marketing personnel.

Factors that may inhibit the Company's efforts to commercialize its product on its own include:

- the Company's inability to recruit, hire, retain, and incentivize adequate numbers of effective sales and marketing personnel;
- the inability of sales personnel to obtain access to physicians or persuade adequate numbers of physicians to use and administer the Company's product;

- the lack of complementary products to be offered by sales personnel, which may put the Company at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses are associated with establishing an independent sales and marketing organization.

If the Company does not establish sales and marketing capabilities successfully, either on its own or in collaboration with third parties, the Company may not be successful in commercializing its product, if approved, or any such commercialization may experience delays or limitations.

Healthcare legislative reform measures may have a material adverse effect on the Company's business and results of operations.

Existing regulatory policies may change, and additional government regulations may be enacted that could prevent, limit, or delay regulatory approval of the Company's product. The Company cannot predict the likelihood, nature, or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If the Company is slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if the Company is not able to maintain regulatory compliance, the Company may lose any marketing approval that it may have obtained and it may not achieve or sustain profitability.

In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs that may result in more limited coverage or downward pressure on the price the Company may otherwise receive for its product. For example, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively, the Affordable Care Act, expanded healthcare coverage through Medicaid expansion and the implementation of the individual mandate for health insurance coverage, which included changes to the coverage and reimbursement of products under federal healthcare programs. The ACA contains a number of provisions that affect coverage and reimbursement of drug and biological products and/or that could potentially reduce the demand.

The Company's industry continues to face potential changes in the legal and regulatory landscape on the federal, state, and international levels. Additional legislative actions to control U.S. healthcare or other costs have been passed. The Budget Control Act, as amended, resulted in the imposition of 2% reductions in Medicare (but not Medicaid) payments to providers in 2013 and will remain in effect through 2027 unless additional Congressional action is taken. Regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine which biopharmaceutical products, and which suppliers will be included in their healthcare programs. In markets outside of the United States, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies. For example, the European Union provides options for its member states to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and control the prices of medicinal products for human use.

The Company expects that current or future healthcare reform measures may result in more rigorous coverage criteria and additional downward pressure on the price that it receives for its product if it is approved for commercialization. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent the Company from attaining profitability.

Legislative and regulatory proposals have also been made to expand post-approval requirements and restrict sales and promotional activities for biotechnology products. The Company cannot be sure whether additional legislative changes will be enacted, or whether FDA regulations, guidance, or interpretations for

biotechnology products will be changed, or what the impact of such changes on the marketing approvals of its product, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval and decision-making processes may significantly delay or prevent marketing approval, as well as subject the Company to more stringent product labeling and post-marketing testing, and other requirements.

If the Company fails to comply with environmental, health and safety laws and regulations, the Company could become subject to fines or penalties or incur costs that could harm its business.

The Company will be subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and waste. The Company cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from its use of hazardous materials, the Company could be held liable for any resulting damage, and the amount of the liability could exceed its resources. The Company could also incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations.

Even if we obtain regulatory approval for our product, we will be subject to stringent, ongoing government regulations.

If our product receives regulatory approval, either in the United States or in other countries, our product will be subject to limitations on the approved indicated uses for which our product may be marketed or to the conditions of approval and may contain requirements for potentially costly post-marketing testing, and surveillance of the safety and efficacy of our product. We will continue to be subject to extensive regulatory requirements. These regulations are wide-ranging and govern, among other things:

- product design, development, and manufacture;
- product application and use;
- adverse experience monitoring and reporting;
- product advertising and promotion;
- manufacturing, including compliance with good manufacturing practices;
- record keeping requirements;
- registration and listing of products with the FDA and other state and national agencies; and
- storage and shipping

We must continually adhere to federal regulations known as Current Good Manufacturing Practices, or cGMPs, and their foreign equivalents, which are enforced by the FDA and other national regulatory bodies through their facilities inspection programs. If the manufacturing facilities we plan to use cannot pass a pre-approval inspection by regulators or fail such inspections in the future, the FDA or other national regulators will not approve the marketing applications for our product or may withdraw any prior approval. In complying with cGMP and foreign regulatory requirements, we will be obligated to expend time, money, and effort in production, record-keeping, and quality control to ensure that our product meets applicable specifications and other requirements.

If we do not comply with regulatory requirements at any stage, whether before or after marketing approval is obtained, we may be subject to, among other things, license suspension or revocation, criminal prosecution, seizure, injunction, fines, be forced to remove our product from the market, or experience other adverse consequences. This could materially harm our financial results and reputation. If we identify

adverse effects after our product is on the market, or if manufacturing problems occur, regulatory approval may be suspended or withdrawn, and we may be required to conduct additional clinical trials. If we encounter any of the foregoing problems, our business and results of operations will be harmed.

The FDA and other governmental authorities' policies may change, and additional government regulations may be enacted that could prevent, limit, or delay regulatory approval of our product. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects, and ability to achieve or sustain profitability. We cannot predict the extent of adverse government regulations which might arise from future legislative or administrative action. Without government approval, we will be unable to sell our product.

The current and future relationships with healthcare professionals and potential customers in the United States and elsewhere may be subject, directly or indirectly, to applicable healthcare laws and regulations.

If we begin selling our product, we will be subject to additional healthcare statutory and regulatory requirements and oversight by federal and state governments as well as foreign governments, in the jurisdictions in which we conduct our business. Healthcare providers and physicians in the United States and elsewhere will play a primary role in the recommendation and prescription of our product if we obtain marketing approval. The current and future arrangements with healthcare professionals and potential customers may expose us to broadly applicable healthcare laws, including, without limitation:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or service, for which payment may be made, in whole or in part, under federal and state healthcare programs such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation. In addition, the Affordable Care Act provides that the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;
- federal civil and criminal false claims laws, including the federal False Claims Act, which impose criminal and civil penalties, including civil whistleblower actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented, to the federal government, including the Medicare and Medicaid programs, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private), knowingly and willfully embezzling or stealing from a health care benefit program, willfully obstructing a criminal investigation of a healthcare offense and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters;

- HIPAA, which also imposes obligations on covered entities, including healthcare providers, health plans, and healthcare clearinghouses, as well as their respective business associates that create, receive, maintain, or transmit individually identifiable health information for or on behalf of a covered entity, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- the U.S. federal physicians payment transparency requirements, sometimes called the "Sunshine Act" and its implementing regulations, which requires certain manufacturers of drugs, devices, biologicals and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program to report to the Centers for Medicare & Medicaid Services, or CMS, information related to physician payments and "other transfers of value" to physicians and teaching hospitals and, for transfers of value to other healthcare providers, as well as the ownership and investment interests held by physicians and their immediate family members;
- analogous state and foreign laws, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government which otherwise restrict payments that may be made to healthcare providers; state and foreign laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts;
- the U.S. federal laws that require pharmaceutical manufacturers to report certain calculated product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under federal healthcare programs; and
- State and foreign laws that govern the privacy and security of health information in certain circumstances, including state security breach notification laws, state health information privacy laws, and federal and state consumer protection laws, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

Efforts to ensure that our future business arrangements with third parties will comply with applicable healthcare laws and regulations may involve substantial costs. It is possible that governmental authorities will conclude that the business practices may not comply with current or future statutes, regulations, or case laws involving applicable fraud and abuse or other healthcare laws. If our operations are found to be in violation of any of these laws or any other governmental regulations, we may be subject to significant civil, criminal and administrative penalties, including, without limitation, damages, fines, imprisonment, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, and the curtailment or restructuring of the operations, all of which could significantly harm our business. If any of the physicians or other healthcare providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to criminal, civil, or administrative sanctions, including exclusions from participation in government healthcare programs, which could also adversely affect our business.

Risks Related to Our Intellectual Property

Our patent and trade secrets might not protect our technology from competitors, in which case we may not have any advantage over competitors in selling our product.

Our commercial success will depend in part on our ability to obtain patents and protect our existing patent position, as well as our ability to maintain adequate intellectual property protection for our product in the United States and other countries. If we do not adequately protect our technology, competitors may erode or negate any competitive advantage we may have, which could harm our business and our ability to achieve profitability. The laws of some foreign countries do not protect the proprietary rights to the same extent or in the same manner as U.S. laws, and we may encounter significant problems in protecting and defending our proprietary rights in these countries. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our product is covered by valid and enforceable patents or are effectively maintained as trade secrets.

There is no assurance that our patent application which is pending or other patent applications that may be filed in the future will result in the issuance of any patents. Furthermore, there is no assurance as to the breadth and degree of protection any issued patents might afford us. Disputes may arise between us and others as to the scope and validity of these or other patents. Any defense of the patents could prove costly and time-consuming, and there can be no assurance that we will be in a position, or will deem it advisable, to carry on such a defense. A suit for patent infringement could result in increasing costs and delaying or halting the development of our product.

Some of our intellectual property is protected as trade secrets or confidential know-how, and our pending patent application may not result in an issued patent.

We consider proprietary trade secrets and/or confidential and unpatented know-how to be important to our business, certain aspects of which may not be suitable for patent filings and must be protected as trade secrets and/or confidential know-how. This type of information must be protected diligently by us to protect our disclosure to competitors, since legal protections after disclosure may be minimal or non-existent. Accordingly, much of the value of this intellectual property is dependent upon our ability to keep our trade secrets and know-how confidential.

Failure to obtain or maintain trade secrets and/or confidential know-how could adversely affect our competitive position. Moreover, competitors may independently develop substantially equivalent proprietary information and may even apply for patent protection in respect of the same.

If successful in obtaining such patent protection, competitors could limit the use of our trade secrets and/or confidential know-how.

Risks Related to this Offering

The Company's offering is being conducted on a "best efforts" basis.

There is no minimum amount which is required to be raised in this offering, and all proceeds from the sale of the securities offered will be delivered to the Company as they are received. If only a small number of securities offered are sold, the amount received from this offering may provide little benefit to the Company. Even if all securities offered are sold, the Company may need additional capital.

The Company does not know what the terms of any future capital raising may be, but any future sale of the Company's equity securities will dilute the ownership of existing stockholders and could be at prices substantially below the offering price of the Company's Series A-1 Preferred stock. The failure of the Company to obtain the capital which it requires may result in the slower implementation of the Company's business plan.

Establishment of offering price

The offering price of the Company's Series A-1 Preferred stock has been established by the Company, considering such matters as past offerings, the state of the Company's product and business development and the general condition of the industry in which it operates. The offering price bears no relationship with the Company's assets, net worth, or operating results.

As of the date of this Private Offering Memorandum, there was no public market for Series A-1 Preferred stock.

An active trading market for the Company's shares of preferred stock may never develop or be sustained, and as a result, you may be unable to sell your shares of our preferred stock. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, and such existence is dependent upon the individual decisions of buyers and sellers over which neither the Company nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of the Company's preferred stock. An inactive market may also impair the Company's ability to raise capital to continue to fund its operations by issuing shares and may impair the Company's ability to acquire other companies or technologies by using the Company's shares as consideration.

We may issue shares of preferred stock that would have a liquidation preference to our common stock.

Our articles of incorporation currently authorize the preferred stock. The board has the power to issue shares without shareholder approval, and such shares can be issued with such rights, preferences, and limitations as may be determined by our board of directors. The rights of the holders of common stock will be subject to, and may be adversely affected by, the rights of any holders of preferred stock that may be issued in the future. We presently have no commitments or contracts to issue any shares of preferred stock. Authorized and unissued preferred stock could delay, discourage, hinder or preclude an unsolicited acquisition of our company, could make it less likely that shareholders receive a premium for their shares as a result of any such attempt, and could adversely affect the market prices of, and the voting and other rights, of the holders of outstanding shares of our common stock

Risks Involving Cybersecurity

Cybersecurity incidents, data misuse, and ransomware attacks continue to be top of mind for both companies and investors, particularly in light of evolving technologies such as AI. Unauthorized access and data breaches pose threats of theft, misuse, or loss of sensitive data, including personal, financial, and proprietary information which can result in operational disruptions, impact a company's reputation, customer trust, and financial condition, and lead to legal liabilities, regulatory fines, and costly remediation efforts. Reliance on third-party vendors can introduce additional vulnerabilities. Further, timely detection, identification, and response to evolving cyber threats remain challenging, requiring significant resources for cybersecurity measures, technology upgrades, training, and incident response.

Disclosure requirements pertaining to penny stocks may reduce the level of trading activity for our common or Series A-1 Preferred stock if and when it is publicly traded.

Trades of the Company's common or Series A-1 Preferred stock, should a market ever develop for our common or Series A-1 Preferred stock, are subject to Rule 15g-9 of the Securities and Exchange Commission, which rule imposes certain requirements on broker/dealers who sell securities subject to the rule to persons other than established customers and accredited investors. For transactions covered by the rule, brokers/dealers must make a special suitability determination for purchasers of the securities and

receive the purchaser's written agreement to the transaction prior to sale. The Securities and Exchange Commission also has rules that regulate broker/dealer practices in connection with transactions in "penny stocks". Penny stocks generally are equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in that security is provided by the exchange or system). The penny stock rules require a broker/ dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prepared by the Commission that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker/dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker/dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker/dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation.

You may have difficulty depositing your shares with a broker or selling shares of our Series A-1 Preferred stock.

Many securities brokers will not accept securities for deposits and will not sell securities which:

- are considered penny stocks, which often lack liquidity, or
- trade in the over-the-counter market

Further, for a securities broker which will, under certain circumstances, sell securities which fall under any or all of the categories listed above, the customer, before the securities broker will accept the shares for deposit, must often complete a questionnaire detailing how the customer acquired the shares, provide the securities broker with an opinion of an attorney concerning the ability of the shares to be sold in the public market, and pay a “legal review” fee which in some cases can exceed $1,000.

For these reasons, holders of our Series A-1 Preferred stock have difficulty selling shares of our common stock.

We are an Emerging Growth Company, subject to less stringent reporting and regulatory requirements of other publicly held companies and this status may have an adverse effect on our ability to attract interest in our Series A-1 Preferred stock.

We are an Emerging Growth Company as defined in the JOBS Act. As long as we remain an Emerging Growth Company, we may take advantage of certain exemptions from various reporting and regulatory requirements that are applicable to other public companies that are not emerging growth companies. We cannot predict if investors will find our Series A-1 Preferred stock less attractive if we choose to rely on these exemptions. If some investors find our Series A-1 Preferred stock less attractive as a result of any choices to reduce future disclosure, there may be a less active trading market for our Series A-1 Preferred stock, and our stock price may be more volatile.

The securities sold in this Offering will be “restricted securities” as that term is defined in Rule 144 of the Securities Act of 1933 (the “Act”).

As such, the securities sold in this Offering may be sold only in compliance with Rule 144 or some other exemption from registration under the Act, unless the securities are covered by an effective registration statement under the Act.

MANAGEMENT

Name	Age	Position
Michael Rubin	58	Chief Executive Officer and a Director
Sheldon Pettle	77	President and a Director
Michael Silver	77	Director

Our directors are appointed for a one-year term, holding office until the next annual general meeting of our shareholders or until their successors are elected or appointed. Our officers are appointed by our board of directors and serve at the discretion of the board.

Michael Rubin has been an officer and director of the Company since January 2026. Prior to joining the Company, Mr. Rubin has been a pharmaceutical/healthcare consultant for the following companies:

- Brain Test SEZC (since 2016)
- Telescope Therapeutics (since 2024)
- AOMIE (since 2023)
- Moreau Grant (2022 to 2024)
- Bedrocan Canada (2014 to 2016)
- Bedrocan International (2016 to 2018)
- More Babies (since 2025)

Mr. Rubin's experience in the pharmaceutical/healthcare industries qualifies Mr. Rubin to be a director of the Company.

Sheldon Pettle has been an officer and director of the Company since November 2022. For over 25 years Mr. Pettle has been a partner with the law firm Litowitz Pettle & Silver. Mr. Pettle's experience as an attorney since 1975 qualifies Mr. Pettle to be a director of the Company.

Michael Silver has been a director of the Company since March 2026. For over 25 years Mr. Silver has been a partner with the law firm of Litowitz Pettle & Silver. Mr. Silver's experience as an attorney for over 25 years qualifies Mr. Silver to be a director of the Company.

Mr. Silver is an independent director, as that term is defined in Section 803 of the NYSE American Company Guide.

As with many smaller companies, our Board of Directors does not have a standing audit, nominating, or compensation committee, committees performing similar functions, or charters for such committees. Instead, the functions that might be delegated to such committees are carried out by our directors, to the extent required. Our directors believe that the cost associated with such committees has not been justified under our current circumstances.

Our Board of Directors has the ultimate responsibility to evaluate and respond to risks facing us. Our Board of Directors fulfills its obligations in this regard by meeting on a regular basis and communicating, when necessary, with our officers.

As with many smaller companies, we have not adopted a Code of Ethics which is applicable to our principal executive, financial, and accounting officers and persons performing similar functions since we only have two executive officers.

Our shareholders can send written communications to our entire Board of Directors, or to one or more Board members, by addressing the communication to "the Board of Directors" or to one or more directors, specifying the director or directors by name, and sending the communication to our corporate office. Communications addressed to the Board of Directors as whole will be delivered to each Board member. Communications addressed to a specific director (or directors) will be delivered to the director (or directors) specified.

A security holder communication not sent to the Board of Directors as a whole is not relayed to Board members which did not receive the communication.

We do not have an Insider Trading Policy since, as of the date of this Private Offering Memorandum, there was no public market for our securities.

Executive Compensation

Our executive officers will be compensated through the following four components:

- Base Salary;
- Short-Term Incentives (cash bonuses);
- Long-Term Incentives (equity-based awards);
- Benefits.

These components provide a balanced mix of base compensation and compensation that is contingent upon our executive officer's individual performance. The goal of the compensation program is to provide executive officers with a reasonable level of security through base salary and benefits. We want to ensure that the compensation programs are appropriately designed to encourage executive officer retention and motivation to create shareholder value. We believe that our shareholders are best served when we can attract and retain talented executives by providing compensation packages that are competitive but fair.

Base Salaries

Base salaries generally have been targeted to be competitive when compared to the salary levels of persons holding similar positions in other publicly traded companies of comparable size. The executive officer's respective responsibilities, experience, expertise, and individual performance are considered.

Short-Term Incentives

Cash bonuses may be awarded at the sole discretion of the Board of Directors based upon a variety of factors that encompass both individual and company performance.

Long-Term Incentives

Equity incentive awards help to align the interests of our employees with those of our shareholders. Equity based awards are made under our Equity Incentive Plan. Options are granted with exercise prices equal to the closing price of our stock on the date of grant and may be subject to a vesting schedule as determined by the Board of Directors which administers the plan.

We believe that grants of equity-based compensation:

- enhance the link between the creation of shareholder value and long-term executive incentive compensation;
- provide focus, motivation, and retention incentive; and
- provide competitive levels of total compensation

The following summary compensation table sets forth all compensation earned by the Company's officers during the years ended December 31, 2025 and 2024.

Name and Principal Position	Year	Salary (1)	Bonus (2)	Stock Awards (3)	Option Awards (4)	All Other Compensation (5)	Total
Michael Rubin Chief Executive Officer	2025 2024	$120,000 $120,000					$120,000 $120,000
Sheldon Pettle President	2025 2024	$30,000 $30,000					$30,000 $30,000

(1) The dollar value of base salary (cash and non-cash) earned.

(2) The dollar value of bonus (cash and non-cash) earned.

(3) The value of all stock awarded during the periods covered by the table is calculated according to ASC 718-10-30-3, which represented the grant date fair value.

(4) The fair value of all stock options granted during the periods covered by the table are calculated on the grant date in accordance with ASC 718-10-30-3 which represented the grant date fair value.

(5) All other compensation that could not be properly reported in any other column.

The following shows the amount we expect to pay to our officers and the amount of time these persons expect to devote to our business during the twelve months ending April 30, 2027.

Name	Projected Month Compensation	Percent of Time to Be Devoted to Our Business
Michael Rubin	$10,000	80%
Sheldon Pettle	$2,500	80%

Employment Agreements

The Company has an Employment Agreement with Mr. Rubin which provides as follows:

- Compensation of $120,000 per year, which will be increased to $144,000 per year at such time as the Company raises $2,500,000 (in Canadian dollars) by means of a private and/or public offering;
- Grant of options to purchase 3,800,000 shares of the Company's common stock at a price of $0.15 per share;

The Employment Agreement can be terminated at any time by Mr. Rubin and upon 12 months notice by the Company. If the Company does not provide Mr. Rubin 12 months notice of termination, the Company will pay Mr. Rubin twelve months of salary.

Options to purchase 2,200,000 shares of common stock will vest upon the Company achieving certain milestones. In the event of a change in the control of the Company, the 2,200,000 options will vest immediately. In the event the Company terminates Mr. Rubin's employment without cause, any of the 2,200,000 options which have not vested will vest if certain conditions are met.

With the exception of Mr. Rubin's employment contract, there are no compensatory plans or arrangements, including payments to be received from the Company with respect to any executive Officer, that would result in payments to such person because of his or her resignation, retirement or other termination of employment with the Company, or its subsidiaries, any change in control, or a change in the person's responsibilities following a change in control of the Company.

Equity Incentive Plan

We have an Equity Incentive Plan (the "Plan") that reserves shares of common stock for issuance to plan participants in the form of incentive and non-qualified stock options, and stock grants. Each stock option awarded allows the holder to purchase one share of our common stock. A total of 7,500,000 shares of common stock are authorized for issuance under the Plan.

The Plan is administered by our Board of Directors (or any committee subsequently appointed by the Board) and is vested with the authority to interpret the provisions of the Plan and supervise the administration of the Plan. In addition, the Board is empowered to select those persons who will participate in the Plan, to determine the number of shares subject to each award and to determine when, and upon what conditions, awards granted under the Plan will vest, terminate, or otherwise be subject to forfeiture and cancellation. The terms and conditions of any awards issued, including the price of the shares underlying each award are governed by the provisions of the Plan and any agreements with the Plan participants.

Incentive Stock Options

All of our employees are eligible to be granted incentive stock options pursuant to the Plan. Options granted pursuant to the Plan terminate at such time as may be specified when the option is granted.

The exercise price of each option cannot be less than 100% of the fair market value of our common stock at the time of the granting of the option provided, however, if the optionee, at the time the option is granted, owns stock possessing more than 10% of the total combined voting power of all classes of our stock, the purchase price of the option shall not be less than 110% of the fair market value of the stock at the time of the granting of the option.

The total fair market value of the shares of common stock (determined at the time of the grant of the option) for which any employee may be granted options which are first exercisable in any calendar year may not exceed $100,000.

At the discretion of the Board of Directors, options granted pursuant to the Plan may include installment exercise terms for any option such that the option becomes fully exercisable in a series of cumulating portions. The Board may also accelerate the date upon which any option (or any part of any option) is first exercisable. However, no option, or any portion thereof may be exercisable until one year following the date of grant. In no event shall an option granted to an employee then owning more than 10% of our common stock be exercisable by its terms after the expiration of five years from the date of grant, nor shall

any other option granted pursuant to the Plans be exercisable by its terms after the expiration of ten years from the date of grant.

Non-Qualified Stock Options

Our employees, directors and officers, and consultants or advisors are eligible to receive non-qualified stock options pursuant to the Plan, provided however that bona fide services must be rendered by such consultants or advisors and such services must not be in connection with a capital-raising transaction or promoting our common stock.

At the discretion of our Board of Directors options granted pursuant to the Plan may include installment exercise terms for any option such that the option becomes fully exercisable in a series of cumulating portions. The Board may also accelerate the date upon which any option (or any part of any option) is first exercisable.

Restricted Stock

A restricted stock award gives the participant the right to receive a specified number of shares of common stock at a purchase price determined by the Board (including and typically zero). Restrictions limit the participant's ability to transfer the stock and subject the stock to a substantial risk of forfeiture until specific conditions or goals are met. The restrictions will lapse in accordance with a schedule or other conditions as determined by the Board, which might include the achievement of specified performance targets and/or continued employment of the participant until a specified date. As a general rule, if a participant terminates employment when the restricted stock is subject to restrictions, the participant forfeits the unvested restricted stock.

Other Information Regarding the Plan

In the discretion of the Board, any option granted pursuant to the Plan may include installment exercise terms such that the option becomes fully exercisable in a series of cumulating portions. The Board may also accelerate the date upon which any option (or any part of any options) is first exercisable. Any shares issued pursuant to the Plan and any options granted pursuant to the Plan or will be forfeited if the "vesting" schedule established by the Board administering the Plan at the time of the grant is not met. For this purpose, vesting means the period during which the employee must remain as our employee or the period of time a non-employee must provide services to us. In certain cases, at the time an employee ceases working for us (or at the time a non-employee ceases to perform services for us), any shares or options not fully vested will be forfeited and cancelled. At the discretion of the Board payment for the shares of common stock underlying options may be paid through the delivery of shares of our common stock having an aggregate fair market value equal to the option price, provided such shares have been owned by the option holder for at least one year prior to such exercise. The exercise may be made through a "cashless" exercise or a combination of cash and shares of common stock at the discretion of the Board.

Awards are generally non-transferable except upon death of the recipient. Shares issued pursuant to the Plan will generally not be transferable until the person receiving the shares satisfies the vesting requirements imposed by the Board when the shares were issued.

Our Board of Directors may at any time, and from time to time, amend, terminate, or suspend the Plan in any manner it deems appropriate, provided that such amendment, termination or suspension will not adversely affect rights or obligations with respect to shares or options previously granted.

As of the date of this Private Offering Memorandum, we had issued options to purchase 6,442,667 shares of common stock pursuant to the Plan.

Corporate Governance

JASTLabs Corporation has been conceived and structured with the expectation of public ownership and sustained visibility. Management views public stewardship as an active responsibility to balance innovation, accountability, and long-term value creation on behalf of shareholders, in response to the resources that public shareholders provide.

JASTLabs Management treats public accountability as a constructive force rather than a constraint. Transparency, regulatory discipline, and openness to scrutiny reinforce credibility with investors, regulators, commercial partners, and the broader medical community. This posture is particularly important for a pharmaceutical enterprise operating in women's health, where trust, consistency, and reputational integrity are central to long-term success. Management does not seek insulation from public markets, but rather intends to operate effectively within them, recognizing that public ownership aligns enterprise incentives with long-term performance rather than short-term private outcomes. Public ownership also increases the visibility of the Company, its products and its communications, materially.

JASTLabs views governance not as a compliance exercise, but as a strategic asset that supports long-term enterprise value. Governance structures support informed decision-making, appropriate risk oversight, and alignment between Management and shareholders.

As JASTLabs progresses, governance practices will continue to evolve in line with public-company standards, including board oversight, financial transparency, and internal controls appropriate to the Company's stage of development. Strong governance enhances strategic options by increasing confidence among investors, regulators, and potential commercial partners.

Governance discipline is essential to sustaining assertive commercialization strategies responsibly. Clear oversight and defined accountability enable Management to act decisively while remaining aligned with regulatory and ethical expectations. This approach is consistent long-term financing. Access to continuous development capital is a key leading indicator of the viability of long-term life sciences enterprises. JASTLabs has organized itself to qualify for both professional and public investment for the duration of its growth potential.

PRINCIPAL SHAREHOLDERS

The following table shows the ownership, as of the date of this Private Offering Memorandum, of those persons owning beneficially 5% or more of our common stock and the number and percentage of outstanding shares owned by each of our directors and officers and by all officers and directors as a group. Each owner has sole voting and investment power over their shares of common stock.

Name	Shares Owned[1]	% of Outstanding Shares
Michael Rubin	1,600,000	4.0%
Sheldon Pettle	9,155,600	21.4%
Michael Silver	10,000	*
Thomas Larocque [2]	12,952,955	30.4%
Fit For A King, Inc. [3]	3,874,067	9.1%
C.W.B.H.C., Inc. [4]	8,309,267	19.4%

All Officers and Directors as a group (3 Persons)	10,756,600	25.4%

* *Less than 1%*

(1) Includes shares issuable upon the exercise of options held by the following persons:

Name	Shares Issuable Upon Exercise of Option	Option Exercise Price	Expiration Date of Option
Michael Rubin	1,600,000	$0.15	1/30/2036
Sheldon Pettle	557,667	$0.15	8/01/2033
Michael Silver	10,000	$0.15	3/01/2036
Thomas Larocque	390,555	$0.15	8/01/2033
Gerald Pettle	557,667	$0.15	8/01/2033
C.W.B.H.C., Inc.	557,667	$0.15	8/01/2033

The foregoing does not include options for 2,200,000 shares granted to Mr. Rubin which will vest subject to certain conditions being met.

(2) Includes 800,000 shares of a corporation controlled by Mr. Larocque.

(3) Gerald Pettle is a controlling person of Fit For A King, Inc. Amount includes 475,000 shares owned by a corporation controlled by Mr. Pettle.

(4) Carole Pettle is a controlling person of C.W.B.H.C., Inc.

PLAN OF DISTRIBUTION

This Offering is intended as a non-public offering, exempt from registration under Section 4(a)(2) of the Securities Act of 1933 ("the Act"), as amended, and/or Regulation D promulgated pursuant to the Act and the securities laws and regulations of certain states. The securities which are subject to the Offering have not been registered under the securities Act of 1933, nor pursuant to the provisions of any state securities laws. Availability of the exemptions from the securities laws for the sale of the securities is dependent upon the investment intent of the investors. Accordingly, each investor will be required to acknowledge, among other things, that the purchase of the securities is for investment, for his own sole account, and without any view to resale or other distribution thereof. Since the sale of the securities is not registered, the securities will be restricted and may not be resold without registration, except under specific exemptions from the securities registration requirements.

The Company has agreed to pay Manhattan Street Capital (“MSC”) a service fee equal of $400 in cash and warrants for each investor that invests through its platform. Each warrant will entitle MSC to purchase shares of the Company’s common stock at a price of $1.00 per share. The warrants may be exercised on a cashless basis. The Company will pay $1,000 in cash and warrants for each corporate or IRA investment and $5000 in cash and warrants for each professional entity investment.

The Company also pays a monthly fee of $15,000 in cash and warrants to MSC for services provided for this offering.

There is no firm commitment by any person to purchase any of our shares, and there is no assurance that any shares offered will be sold. There is no minimum number of shares which are required to be sold in this offering. We may terminate this offering at any time.

INVESTOR SUITABILITY STANDARDS

The Company will offer and sell the Securities only to Accredited Investors.

An accredited investor is:

- A natural person (as opposed to a corporation, partnership, trust or other legal entity) whose net worth, or joint net worth together with his/her spouse, exceeds $1,000,000 exclusive of such person's primary residence;
- Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 506(b)(2)(ii) of Regulation D;
- A natural person (as opposed to a corporation, partnership, trust or other legal entity) whose individual income was in excess of $200,000 in each of the two most recent years (or whose joint income with such person's spouse was at least $300,000 during such years) and who reasonably expects an income in excess of such amount in the current year; or
- A corporation, partnership, trust or other legal entity (as opposed to a natural person) and all of such entity's equity owners fall into one or more of the categories enumerated above.

Prior to the purchase of the Securities, each prospective investor will be required to represent in the Subscription Agreement that:

1. Such investor's overall commitment to investments which are not readily marketable is not disproportionate to his or her net worth and such investor's investment in the Securities will not cause his or her overall commitment to become excessive;

2. Such investor has adequate means of providing for current needs and personal contingencies, has no need for liquidity in his or her investment in the Securities and has no reason to anticipate any change in personal circumstances, financial or otherwise, which might cause or require any sale or distribution of the Securities;

3. Such investor has evaluated the risks of investing in the Securities;

4. Such investor can bear the economic risks of the investment and has the capacity to protect his or her own interests in connection with the transaction;

5. Such investor has substantial experience in making investment decisions of this type or is relying on his or her own advisor or qualified purchaser representative in making this investment decision;

6. Such investor is aware that the Securities have not been registered under the Securities Act of 1933, as amended, but rather are being offered in reliance upon an exemption from the registration requirements of that Act, and that the subsequent sale or other disposition of such Securities will require, in the absence of such registration, the satisfaction of such conditions as the Company may require;

7. Such investor is aware that there is no market for the Company's Series A-1 Preferred stock at this time, and there is no assurance that a market will ever develop;

8. Such investor is aware that the Securities being offered will not be transferable unless such Securities are registered or except with the prior written consent of the Company, which consent may be withheld under certain circumstances;

9. Such investor is aware that any person to whom the investor may subsequently wish to sell the Securities (if the Securities are not registered) may have to satisfy standards of suitability at least as stringent as those set forth herein and that, in addition, the prior written approval of any such sale by certain state securities regulatory authorities may be required; and

10. Such investor is purchasing the Securities for his or her own account, for investment, and not with a view to resale or distribution.

The Securities will be offered only to individuals who are able to represent that they meet the foregoing standards and who are residents of states in which the Securities have been qualified for sale or in which there is an available exemption from registration. Prospective investors which are not natural persons (e.g., corporations, trusts, or partnerships) will be required to meet the foregoing standards or such other more stringent standards, and to make such representations in connection therewith, as the Company may deem appropriate. If a purchaser representative is required, he must also execute a disclosure and acknowledgment form.

RESALE RESTRICTIONS

The Securities issued in this Offering will be "restricted securities" as that term is defined in Rule l44 of the Securities and Exchange Commission, and may, in the future, be sold only in compliance with Rule l44 or some other exemption from registration under the Securities Act of 1933, the availability of which must be established by the holder to the satisfaction of the Company, unless the securities are covered by an effective registration statement under the Securities Act of 1933. Rule l44 provides, in essence, that a person who is not affiliated with the Company may, after six months from the date of acquisition, sell restricted securities without restriction, provided the Company files 10-K and 10-Q reports with the Securities and Exchange Commission and is current in its filings with the SEC. There can be no assurance that Rule l44 or any other exemption will be available for the resale of the Securities purchased by investors in this Offering.

In order to facilitate compliance with the limitations on the resale of the securities purchased by investors in this Offering: (i) a legend will be placed on the certificates stating that the securities have not been registered under the Act and setting forth the restrictions on transferability and sale; (ii) a stop transfer notation will be made with respect to the securities in the appropriate records of the Company; and, (iii) stop transfer instructions will be issued to the Company's transfer agent.

DESCRIPTION OF SECURITIES

Common Stock

The Company is authorized to issue an unlimited number of shares of common stock (the "Common Stock"). Holders of common stock are each entitled to cast one vote for each share held of record on all matters presented to shareholders. Cumulative voting is not allowed; hence, the holders of a majority of the outstanding common stock can elect all directors.

Holders of common stock are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available therefor and, in the event of liquidation, to share pro rata in any distribution of the Company's assets after payment of liabilities. The board is not obligated to declare a dividend. It is not anticipated that dividends will be paid in the foreseeable future.

Holders of common stock do not have preemptive rights to subscribe to additional shares if issued by the Company. There is no conversion, redemption, sinking fund, or similar provisions regarding the common stock. All outstanding shares of common stock are fully paid and non-assessable.

As of the date of this Private Offering Memorandum, the Company had 42,218,297 outstanding shares of common stock.

Preferred Stock

The Company will in future, and at the discretion of the Board of Directors be authorized to issue an unlimited number of Preferred Shares. The powers, preferences, rights, qualifications, limitations and restrictions pertaining to the Preferred Shares, or any series thereof, shall be such as may be fixed, from time to time, by the Board in its sole discretion. Authority to do so being hereby expressly vested in the Board. The authority of the Board with respect to each such series of Preferred Stock will include, without limiting the generality of the foregoing, the determination of any or all of the following:

(1) the number of shares of any series and the designation to distinguish the shares of such series from the shares of all other series: (2) the voting powers, if any, of the shares of such series and whether such voting powers are full or limited: (3) the redemption provisions, if any, applicable to such series, including the redemption price or prices to be paid; (4) whether dividends, if any, will be cumulative or noncumulative, the dividend rate or rates of such series and the dates and preferences of dividends on such series: (5) the rights of such series upon the voluntary or involuntary dissolution of, or upon any distribution of the assets of. the Corporation: (6) the provisions, if any, pursuant to which the shares of such series are convertible into, or exchangeable for, shares of any other class or classes of any other series of the same other any other class or classes of stock or any other security, of the Company or any other corporation or entity, and the rates or other determinants of conversion or exchange applicable thereto; (7) the right, if any, to subscribe for or to purchase any securities of the Corporation or any other corporation or other entity; (8) the provisions, if any of a sinking fund applicable to such series: and (9) any other relative, participating, optional or other powers, preferences or rights, and any qualifications, limitations or restrictions thereof of such series.

By means of this Private Offering Memorandum the Company is offering shares of its Series A-1 Preferred stock. The rights and preferences of the Series A-1 Preferred Stock are as follows:

Voting

Each Series A-1 Preferred Share is entitled to one vote on any matter to be presented to the Company's shareholders.

Dividends

The holders of the Series A-1 Preferred Shares, in preference to the holders of common shares, shall be entitled to receive, when, as and if declared by the Company's Board of Directors out of funds legally available for the purpose, dividends which will be determined by the Company's Board of Directors.

Certain Restrictions

Whenever dividends declared or other distributions payable on the Series A-1 Preferred Shares are in arrears, thereafter and until all unpaid dividends and distributions on Series A-1 Preferred Shares shall have been paid in full, the Company shall not:

(a) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A-1 Preferred Shares;

(b) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A-1 Preferred Shares, except dividends paid ratably on the Series A-1 Preferred Shares and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled; or

(c) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A-1 Preferred Shares.

Liquidation, Dissolution or Winding Up

Upon any liquidation, dissolution or winding up of the Company, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A-1 Preferred Shares Preferred Shares unless, prior thereto:

Each holder of a Series A-1 Preferred Share shall have received the amount paid for each Series A-1 preferred share, plus an amount equal to declared and unpaid dividends.

The Series A-1 Preferred Shares will share pro rata the amounts to be distributed upon any liquidation, dissolution or winding up. In the event the amount to be distributed is not sufficient to pay the holders of the Series A-1 Preferred Shares the full amounts the holders would otherwise be entitled to, then the holders of the Series A-1 Preferred shares will share ratably in any distribution of the funds and/or assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. Once the holders of the Series A-1 Preferred Shares have been paid the full amount to which they are entitled, then any additional amounts available for distribution will be shared between the holders of the Series A-1 Preferred Shares and the holders of the Common Shares in proportion to the number of Series A-1 Preferred and Common Shares then outstanding.

Conversion

Each share of the Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such whole number of fully paid and non-assessable shares of Common Stock, as is determined by dividing the applicable Original Issue Price by the applicable Conversion Price (as defined below) in effect at the time of conversion. The "**Conversion Price**" of the Preferred Stock as of the Original Issue Date shall initially be equal to the applicable Original Issue Price. Such initial Conversion Price of the Preferred Stock and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

In the event the Company shall at any time declare or pay any dividend on common shares payable in common shares, or effect a subdivision or combination or consolidation of the outstanding common shares (by reclassification or otherwise) into a greater or lesser number of common shares, then in each such case the number of common shares issuable upon the conversion of the Series A-1 Preferred Shares immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of common shares outstanding immediately after such event and the denominator of which is the number of common shares that were outstanding immediately prior to such event.

In the event the Company shall at any time issue additional shares of common stock (including options for common stock or securities convertible into common stock, subject to certain exemptions) ("Additional Shares"), without consideration or for a consideration per share less than the Conversion Price of any Series A-1 Preferred Stock sold prior to the issuance of such Additional Shares of Common Stock in effect immediately prior to such issuance, then the Conversion Price for such A-1 Preferred Stock shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula):

$$CP2 = CP1* (A + B) / (A + C)$$

For purposes of the foregoing, the following definitions shall apply:

(a) "CP2" shall mean the Conversion Price of such A-1 Preferred Stock in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock

(b) "CP1" shall mean the Conversion Price of such A-1 Preferred Stock in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(d) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP1); and

(e) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

In the event the Company shall at any time declare or pay any dividend on common shares payable in common shares, or effect a subdivision or combination or consolidation of the outstanding common shares (by reclassification or otherwise) into a greater or lesser number of common shares, then in each such case the Conversion Price shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of common shares outstanding immediately before such event and the denominator of which is the number of common shares that were outstanding immediately after such event. The Conversion Price will be adjusted each time the Company affects a transaction referred to above.

In case the Company shall enter into any consolidation, merger, combination, statutory share exchange or other transaction in which the Common Shares are exchanged for or changed into other stock or securities,

money and/or any other property, then in any such case the Series A-1 Preferred Shares shall at the same time be similarly exchanged or changed into an amount per share equal to the aggregate amount of stock, securities, money and/or any other property (payable in kind), as the case may be, into which or for which each Common Share is changed or exchanged.

The Original Issue Price means the price originally paid for a Preferred Share.

Original Issue Date means the date on which the first share of Preferred Stock was issued.

The foregoing description of the Series A-1 Preferred Stock is qualified in its entirety by the Certificate of Designation of the Series A-1 Preferred Stock which will be furnished to any prospective investor upon request.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings for use in the operation of our business and do not intend to declare or pay any cash dividends until profitability is attainted, at which time a further determination to pay dividends on our capital stock will be at the discretion of our Board of Directors, subject to applicable laws, and will depend on our financial condition, results of operations, capital requirements, general business conditions, and other factors that our Board of Directors considers relevant.

Transfer Agent and Registrar

Our transfer agent is Colonial Stock Transfer, whose address is 7840 S 700 E, Sandy, UT 84070. The Transfer Agent's telephone number is (801)335-5740 and its website is https://www.colonialstock.com/index.htm

INDEMNIFICATION

The Company's Bylaws authorize indemnification of a director, officer, employee or agent of the Company against expenses incurred by him in connection with any action, suit, or proceeding to which he is named a party by reason of his having acted or served in such capacity, except for liabilities arising from his own misconduct or negligence in performance of his duty. In addition, even a director, officer, employee, or agent of the Company who was found liable for misconduct or negligence in the performance of his duty may obtain such indemnification if, in view of all the circumstances in the case, a court of competent jurisdiction determines such person is fairly and reasonably entitled to indemnification.

Those interested in subscribing to the securities offered by the Company should complete the Subscription Agreement that follows.

JASTLabs Corporation

SUBSCRIPTION AGREEMENT

Complete this form and return per the instructions at the end:

Subscription.

I hereby agree to purchase _____ Series A-1 Preferred shares offered by the Company at a price of $_____ per share in accordance with the terms and conditions of this Subscription Agreement.

This subscription may be rejected by the Company in whole or in part.

Representations and Warranties. I warrant and represent to the Company that:

1. The Securities are being purchased by me for investment only, for my own account and not with a view to the offer or sale in connection therewith, or the distribution thereof, and I am not participating, directly or indirectly, in an underwriting of any such undertaking.

2. I will not take, or cause to be taken, any action that would cause me to be deemed an underwriter of the Securities, as defined in Section 2(11) of the Securities Act of 1933, as amended (the "Act").

3. I have had the opportunity to review the Company's Private Offering Memorandum (the "Disclosure Document").

4. I, and my purchaser representative (if any), have had an opportunity to ask questions of, and receive answers from the officers of the Company to verify the accuracy and completeness of the information set forth in the Disclosure Document.

5. In determining whether to make an investment in the Securities, I am not relying on any information other than the Disclosure Document referred to above.

6. By virtue of my net worth and by reason of my knowledge and experience in financial and business matters in general, and investments in particular, I am capable of evaluating the merits and risks of an investment in the Securities on the basis of the information contained in the Disclosure Document.

7. I can bear the economic risks of an investment in the Securities.

8. My present financial condition is such that I am under no present or contemplated future need to dispose of any portion of the Securities to satisfy any existing or contemplated undertaking, need or indebtedness.

9. If required to do so, I have retained to advise me, as to the merits and risks of the prospective investment in the Securities, a purchaser representative as defined in Rule 501 of Regulation D promulgated under the Act, and I have previously forwarded, or am simultaneously with the execution of this Subscription Agreement forwarding, a completed Purchaser Representative

Disclosure and Acknowledgment form which, if needed, I will request the Company to provide.

10. I am aware that the Securities have not been registered under the Securities Act of 1933, as amended, but rather are being offered in reliance upon an exemption from the registration requirements of that Act.

11. I am aware that no market exists for the Company's preferred stock at this time and a public market for the preferred stock may not develop in the future.

12. I am aware that:

    a. The Securities being offered will not be transferable unless such Securities are registered or except with the prior written consent of the Company, which consent may be withheld under certain circumstances.

    b. Any person to whom the investor may subsequently wish to sell the Securities (if the Securities are not registered) may have to satisfy standards of suitability at least as stringent as those set forth herein.

    c. The subsequent sale or other disposition of such Securities will require, in the absence of such registration, the satisfaction of such conditions as the Company may require.

13. I hereby represent and warrant that all the representations, warranties and acknowledgments contained in this Subscription Agreement are true, accurate and complete as of the date hereof.

14. I understand that I will be contacted by an independent third party to verify my status as an accredited investor.

<u>Offshore Transaction</u>

If I (the "Buyer") am not a resident of the United States, then I warrant and represent to the Company the following:

i. The Buyer is not a U.S. Person (as defined in Regulation S) or if the Buyer is not a natural person, is not organized under the laws of any jurisdiction within the United States, was not formed by a U.S. Person for the purpose of investing in Regulation S securities and is not otherwise a U.S. Person. The Buyer is not, and on the date of acceptance of this Agreement by the Seller, will not be, an affiliate of the Company;

ii. At the time the buy order was originated, the Buyer was outside the United States and is outside of the United States as of the date of the execution and delivery of this Agreement;

iii. No offer to purchase the Securities was made by the Buyer in the United States;

iv. The buyer is purchasing the Securities under the laws of his or its jurisdiction of residence and domicile, and the offer and sale of the Securities will not violate the securities or other laws of such jurisdiction;

v. All offers and sale of any of the Securities by the Buyer prior to the end of the restricted period (Restricted Period) as defined by Regulation S, will be made in accordance with the securities laws

of any applicable jurisdiction and in accordance with Regulation S or pursuant to registration of Securities under the 1933 Act or pursuant to an exemption from registration.

vi. The transaction contemplated by this Agreement (a) has not been and will not be pre-arranged by the Buyer with a purchaser located in the United States or a purchaser which is a U.S. Person, and (b) are not and will not be part of a plan or scheme by the Buyer, to evade the registration provisions of the 1933 Act;

vii. The Buyer understands that the Securities are not registered under the 1933 Act and are being offered and sold to it in reliance on specific exclusions from the registration requirements of Federal and State securities laws, and that the Company is relying upon the truth and accuracy of the representation, warranties, agreements, acknowledgements and understandings of the Buyer set forth herein in order to determine the applicability of such exclusions and the suitability of the Buyer to acquire the Securities;

viii. The Buyer shall take all reasonable steps to ensure its compliance with Regulation S and shall promptly send to each purchaser who acts as a distributor, dealer or person receiving a selling concession, fee or other remuneration with respect to any of the Securities, and who purchases prior to the expiration of one year from the date of this Agreement, a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales as the Buyer pursuant to Regulation S;

ix. The Buyer has not conducted or permitted and shall not conduct or permit on its behalf any "directed selling efforts" as that term is defined in Rule 902(b) of Regulation S; nor has the Buyer conducted any general solicitation relating to the offer and sale of any of the Securities in the United States or elsewhere;

x. All invitations, offers and sales of or with respect to any of the Securities, by the Buyer and any distribution by the Buyer of any documents relating to any offer by it of any of the Securities will be in compliance with applicable laws and regulations and will be made in such a manner that no prospectus need be filed and no other filing need be made by the Company with any regulatory authority or stock exchange in any country or any political sub-division of any country; and

xi. The Buyer will not make any offer of sale of the Securities by any means which would not comply with the law and regulations of the territory in which such offer or sale takes place or to which such offer or sale impose upon the Company any obligation to satisfy any public filing or registration requirement or provide or publish any information of any kind whatsoever or to otherwise undertake or become obligated to do any act.

xii. The Buyer certifies that it is not acquiring the Securities for the account of any U.S. Person and agrees to resell such Securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act of 1933 (the "Act") or pursuant to an available exemption from registration; and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the Act.

Restrictions on Transferability. I hereby agree that the Securities being purchased by me may be stamped or otherwise imprinted with a conspicuous legend in substantially the following form:

> The securities represented by this certificate may not be offered for sale, sold or otherwise transferred except pursuant to an effective registration statement under the Securities Act

of 1933 (the "Act"), or pursuant to an exemption from registration under the Act, the availability of which is to be established to the satisfaction of the issuer.

I further agree that the Securities may also be stamped with any other legend(s) required by applicable state securities laws (the "State Acts").

The Securities shall be sold, pledged, assigned, hypothecated or otherwise transferred, with or without consideration ("Transfer") only pursuant to an effective registration statement under the Act, or pursuant to an exemption from registration under the Act, the availability of which is established to the satisfaction of the Company, which may include an opinion of my counsel, which cost shall be borne by me, as to the availability of such an exemption. I realize that by becoming a holder of the Securities pursuant to the terms of the legend set forth above, I agree, prior to any Transfer, to give written notice to the Company expressing my desire to affect the Transfer and describing the proposed Transfer.

Upon receiving any such notice, the Company shall present copies thereof to counsel for the Company and the following provisions shall apply:

1. If, in the opinion of such counsel, the proposed Transfer may be effected without registration thereof under the Act and the State Acts, the Company shall promptly thereafter notify the holder of such Securities whereupon such holder shall be entitled to effect the Transfer, all in accordance with the terms of this notice delivered by such holder to the Company, and upon such further terms and conditions as shall be required by the Company in order to assure compliance with the Act and the State Acts.

2. If, in the opinion of such counsel, the Transfer may not be effected without registration under the Act and/or the State Acts, a copy of such opinion shall promptly be delivered to the holder who had proposed the Transfer and the Transfer shall not be made unless registration of the Transfer is then in effect.

Payment of Subscription. My payment is being sent by wire (or check) payable to the order of the Company for the Securities purchased. I recognize that if my subscription is rejected, in whole or in part, the funds delivered herewith, to the extent that my subscription has been rejected, will be returned to me without deduction therefrom or interest thereon, as soon as practicable.

Notices. Any notices or other communications required or permitted hereby shall be sufficiently given if sent by registered or certified mail, postage prepaid, return receipt requested, and, if to the Company, at the address to which this letter Subscription Agreement is addressed, and, if to me, at the address set forth below my signature hereto, or to such other addresses as either the Company or I shall designate to the other by notice in writing.

Successors and Assigns. This Subscription Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to the successors and assigns of the Company and to my personal and legal representatives, heirs, guardians, successors and permitted assignees.

Reliance Upon Representations. I understand that the Company is relying upon the accuracy of the representations and warranties which I have made in this agreement. I agree to indemnify the Company (and any control persons of such entities) for any loss they may suffer as the result of any false or misleading warranty, representation or statement of facts which I have made in connection with the purchase of the Securities.

Applicable Law/Arbitration. This Subscription Agreement shall be governed by and construed in accordance with the laws of Delaware and, to the extent it involves any United States statute, in accordance with the laws of the United States. Any dispute, claim or controversy involving this Subscription Agreement, or the circumstances surrounding the sale of the securities described in this Subscription Agreement shall be settled through binding arbitration in accordance with the Commercial Rules of the American Arbitration Association in Wilmington Delaware.

_____	_____
Typed or Printed Name	Signature of Subscriber
_____	_____
Date	Residential Address
_____	_____
Email	City, State & Zip Code

ACCEPTED:

By:_____ Date:_____

RETURN THIS SUBSCRIPTION AGREEMENT ELECTRONICALLY TO:

_____| Phone: _____

OR BY OVERNIGHT DELIVERY TO:

_____
_____

A wire transfer for payment of the subscription to the bank account below is easiest for processing.

Please make your check payable to:
_____, Escrow Agent for JASTLabs Corporation

Checks should be sent to:

_____
_____
_____

If a check is preferred, please include the check (personal or corporate account is acceptable - cashier's check is not required) with the signed subscription agreement to the address above by overnight delivery.

WIRE INSTRUCTIONS:

_____
_____
_____

CREDIT CLIENT'S NAME & ACCOUNT NUMBER

Account Name: _____ for JASTLabs Corporation
Account Number: _____

Your shares of preferred stock will be issued in book entry at Colonial Stock Transfer.