

TERM SHEET



10% Convertible Promissory Note

Purchase Price: \$10,000.00 per Note

Maximum Offering Amount is \$5,000,000

February 8, 2024

Legal Disclaimer: HyperSciences, Inc. is currently undertaking a private placement offering pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act"), and/or Rule 506 of Regulation D promulgated thereunder. Investors should consider the investment objectives, risks, and investment time horizon of HyperSciences, Inc. carefully before investing. The Offering Documents relating to each offering of equity interests by HyperSciences, Inc. will contain this and other information for HyperSciences, Inc. and should be read carefully before investing. Securities of HyperSciences, Inc. are being offered and sold in reliance on the exemption from registration set forth in Section 506(c) under the Securities Act of 1933, as amended, or the "Securities Act". In accordance therewith, you should be aware that (i) the securities may be sold only to "accredited investors," which for natural persons are investors who meet certain minimum annual income or net worth thresholds; (ii) the securities will only be offered in reliance on an exemption from the registration requirements of the Securities Act and will not be required to comply with specific disclosure requirements that apply to registration under the Securities Act; (iii) the Securities and Exchange Commission will not pass upon the merits of or give its approval to the securities, the terms of the offering, or the accuracy or completeness of any offering materials; (iv) the securities will be subject to legal restrictions on transfer and resale and investors should not assume they will be able to resell their securities; investing in securities involves risk, and investors should be able to bear the loss of their investment. The summary may include "forward-looking statements" with the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act of 1934 and are intended to be covered by the safe harbor provisions for forward-looking statements. This information is supplied from sources we believe to be reliable but we cannot guarantee accuracy. Although we believe our expectations expressed in such forward-looking statements are reasonable, we cannot assure you that they will be realized. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the anticipated results. HyperSciences, Inc. may, in the future, undertake a public offering pursuant to Regulation A under the Act. No money or other consideration is being solicited at this time with respect to such an offering, and if sent in response to these materials for such an offering, it will not be accepted. No offer to buy securities can be accepted and no part of the purchase price can be received for an offering under Regulation A until an offering statement is qualified by the U. S. Securities and Exchange Commission, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time before notice of its acceptance given after the qualification date. An indication of interest made by a prospective investor in a Regulation A offering is non-binding and involves no obligation or commitment of any kind.

HyperSciences, Inc.

Convertible Promissory Note Offering Term Sheet

February 2024

The following is a summary of the contemplated principal terms with respect to the sale of 10% Convertible Promissory Note, as described below, by HyperSciences, Inc., a Delaware corporation (the “**Company**”). This summary of terms is preliminary and does not constitute a legally binding obligation and the terms of the final documents could vary from this summary. You should not rely on this summary, but instead read the definitive final documents. Any legally binding obligation will only be made pursuant to definitive agreements to be negotiated and executed by the parties.

Type of Security being Sold: The Company is offering (the “**Offering**”) up to a maximum of \$5,000,000 (the “**Maximum Amount**”) of its 10% Convertible Promissory Notes (the “**Notes**”), the Notes is collectively referred to herein as the “**Notes.**”

The maximum aggregate number of **Notes** to be issued in the Offering is 500.

Anticipated Closing Date: The Offering will close on a rolling basis commencing, on or about February 8, 2024, and will continue thereafter up till May 31, 2024 until the Maximum Amount has been raised or the Company decides to terminate the Offering in its sole discretion.

Size of Offering: A Maximum Amount of \$5,000,000. The Company reserves the right, without notice to or consent from any investor, to increase the number of **Notes** offered in the Offering by 20% if this Offering is oversubscribed.

Maximum Offering: \$5,000,000

Price per Note: \$10,000.00

Minimum Investment: **2 Notes at \$10,000.00, or \$20,000**, subject to waiver in the sole discretion of the Company.

The Note Interest: The interest on each Note shall accrue, beginning from the date of issuance, at an interest rate of 10% per annum. Interest on the outstanding principal balance of each Note shall be computed on the basis of the actual number of days elapsed and a 365-day year. Interest shall accrue on each Note until the earlier of the Conversion (as defined below) of such Note and the Maturity Date and shall, at the Company’s sole option, be paid in cash or shares.

Maturity Date: December 31, 2024

Voluntary Conversion: If, prior to the Maturity Date, the Company consummates: (i) a Public Offering utilizing Form 1-A or S-1, and (ii) files a Form 8-A, then, subject to the terms and conditions of such Form 8-A, each investor may elect to exchange and cancel their Note (a “**Conversion**”), and the Company shall issue and sell to such investor a number of shares of the Company’s common stock, par value \$0.0001 (the “**Equity Securities**”), equal to the quotient, rounded to the nearest whole number, of (i) the sum of (A) the total principal amount then outstanding on such investor’s Note *plus* (B) the total accrued interest then outstanding on such investor’s Note, *divided by* (ii) the product of

(A) 0.75 multiplied by (B) the price per share at which the Equity Securities were sold in such Public Offering. An investor can elect to make a partial conversion of a Note in which case common stock will be issued for the part of the Note cancelled and a new Note will be issued for the balance owed.

- Prepayment:** The Company may prepay this **Note** in whole or in part at any time; provided that any payment made to the investors with respect to the Note that is not a full payment of the total principal amount and accrued interest then outstanding on all of the **Notes** shall be made pro rata to each investor based on the total principal amount and accrued interest then outstanding on such investor's Note.
- Registration Rights:** The common shares to be issued upon conversion of the **Notes** shall not be registered upon issuance and are subject to Rule 144 holding period, however they shall have piggy back and other registration rights with regard to future registrations of the Company's securities pursuant to the Securities Act but not including the Company's anticipated offering pursuant to Regulation A utilizing Form 1-A or registrations on Form S-4 or Form S-8.
- Equitable Adjustments:** The conversion price of the **Notes** will be equitably adjusted for any forward or reverse stock split, stock dividend or recapitalization affecting the Company's common stock.
- Investors:** The **Notes** will be sold only to accredited investors within the meaning of the Securities Act pursuant to the exemption from the registration requirements of the Securities Act provided by Rule 506(c) of Regulation D promulgated under the Securities Act.
- Information Rights:** The investors will be entitled to customary information rights.
- Use of Proceeds:** The Company intends to use the proceeds for all or a portion of the financing for marketing, working capital and for general and corporate expenses.
- Risk Factors:** The Purchase Agreement will contain a summary of what the Company believes are the principal risks associated with this investment, but such list is not intended to be exhaustive.
- Placement Agent Fee:** The Company has entered into a placement agent agreement with Digital Offering, LLC ("**DO**") with regard to sales of the **Notes**. As managing agent of the Offering, DO is entitled to a cash fee of up to three and one half percent (3.5%) of the gross proceeds of such sales, subject to certain terms and conditions. For Digital Offering sourced investors, the Company agrees to pay Digital Offering, concurrently with each closing of the Offering, a cash fee equal to 7.00% of the gross proceeds of the Offering raised.

TESTING THE WATERS: HyperSciences, Inc. is "Testing the Waters" under Regulation A under the Securities Act of 1933. This process allows companies to determine whether there may be interest in an eventual offering of its securities. HyperSciences, Inc. is not under any obligation to make an offering under Regulation A. No money or other consideration is being solicited in connection with the information provided, and if sent in response, will not be accepted. No offer to buy the securities can be accepted and no part of the purchase price can be received until an offering statement on Form 1-A has been filed and until the offering statement is qualified pursuant to Regulation A of the Securities Act of 1933, as amended, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time before notice of its acceptance given after the qualification date. Any person's indication of interest involves no obligation or commitment of any kind. The information in that offering statement will be more complete than the information HyperSciences, Inc. is providing now, and could differ materially. You must read the documents filed. No offer to sell the securities or solicitation of an offer to buy the securities is being made in any state where such offer or sale is not permitted under the "blue sky" or securities laws thereof. No offering is being made to individual investors in any state unless and until the offering has been registered in that state or an exemption from registration exists therein.