

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

FORM 8-K

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

Date of Report (Date of earliest event reported): **April 30, 2024**

ARCH THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

000-54986
(Commission
File Number)

46-0524102
(I.R.S. Employer
Identification No.)

235 Walnut Street, Suite 6
Framingham, Massachusetts
(Address of principal executive offices)

01702
(Zip Code)

Registrant's telephone number, including area code: **(617) 431-2313**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement.

Amendment to Third Amended and Restated Registration Rights Agreement

On April 30, 2024, Arch Therapeutics, Inc. (the “**Company**”) entered into an amendment (“**Amendment No. 1 to the Third A&R Registration Rights Agreement**”) to that certain Third Amended and Restated Registration Rights Agreement, dated as of March 12, 2024, by and among us and certain institutional and accredited individual investors, as amended (the “**A&R Registration Rights Agreement**”). Under Amendment No. 1 to the Third A&R Registration Rights Agreement, the A&R Registration Rights Agreement was amended to redefine “Uplist Transaction” as the listing of the Company’s common stock, par value \$0.001 (“**Common Stock**”), on any securities exchange registered with the U.S. Securities and Exchange Commission (“**SEC**”) as a “national securities exchange” under Section 6 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

The preceding description of Amendment No. 1 to the Third A&R Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Form of Amendment No. 1 to the Third A&R Registration Rights Agreement, filed herewith as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Amendment to Bridge Offering Registration Rights Agreement

On May 1, 2024, the Company entered into an amendment (“**Amendment No. 4 to the Bridge Registration Rights Agreement**”) to that certain Registration Rights Agreement, dated as of July 7, 2023, as amended on August 30, 2023, and as subsequently amended on November 8, 2023 and November 21, 2023, by and among the Company and certain institutional and accredited individual investors (as amended the “**Bridge Registration Rights Agreement**”) in connection with a private placement offering of pre-funded warrants to purchase shares of Common Stock, common warrants to purchase shares of Common Stock, and shares of Common Stock. Under Amendment No. 4 to the Bridge Registration Rights Agreement, the Bridge Registration Rights Agreement was amended to redefine “Uplist” as the public offering of the Company’s Common Stock pursuant to a registration statement on Form S-1 that results in the listing of the Company’s Common Stock on any securities exchange registered with the SEC as a “national securities exchange” under Section 6 of the Exchange Act.

The preceding description of Amendment No. 4 to the Bridge Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Form of Amendment No. 4 to the Bridge Registration Rights Agreement, filed herewith as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Amendments to Notes

On April 30, 2024, the Company entered into an amendment (“**Amendment No. 16 to the First Notes**”) with the holders of the Company’s outstanding Senior Secured Convertible Promissory Notes, as separately amended on February 14, 2023, March 10, 2023, March 15, 2023, April 15, 2023, May 15, 2023, June 15, 2023, July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the “**First Notes**”), issued in connection with a private placement financing the Company completed on July 6, 2022.

On April 30, 2024, the Company also entered into an amendment (“**Amendment No. 16 to the Second Notes**”) with the holders of the Company’s outstanding Unsecured Convertible Promissory Notes, as separately amended on February 14, 2023, March 10, 2023, March 15, 2023, April 15, 2023, May 15, 2023, June 15, 2023, July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the “**Second Notes**”), issued in connection with a private placement financing the Company completed on January 18, 2023.

On April 30, 2024, the Company also entered into an amendment (“**Amendment No. 11 to the Third Notes**”) with the holders of the Company’s outstanding Unsecured Convertible Promissory Notes, as separately amended on June 15, 2023, July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the “**Third Notes**”), issued in connection with a private placement financing the Company completed on May 15, 2023.

On April 30, 2024, the Company also entered into an amendment (“**Amendment No. 2 to the Fourth Notes**” and, together with Amendment No. 16 to the First Notes, Amendment No. 16 to the Second Notes and Amendment No. 11 to the Third Notes, the “**Amendments to the Notes**”) with the holders of the Company’s outstanding Unsecured Convertible Promissory Notes, as separately amended on March 15, 2024, issued in connection with a private placement financing the Company completed on March 12, 2024 (as amended, the “**Fourth Notes**” and, together with the First Notes, Second Notes, and Third Notes, the “**Notes**”).

Under the Amendments to the Notes, the Notes were amended to extend the date of the completion of an “Uplist Transaction” (as defined below) and to extend the respective maturity date of each of the Notes from April 30, 2024, to June 30, 2024. The Notes were also amended to redefine “Uplist Transaction” as the listing of the Company’s Common Stock on any securities exchange registered with the SEC as a “national securities exchange” under Section 6 of the Exchange Act.

The preceding descriptions of Amendment No. 16 to the First Notes, Amendment No. 16 to the Second Notes, Amendment No. 11 to the Third Notes, and Amendment No. 2 to the Fourth Notes are qualified in their entirety by reference to the copies of the Forms of Amendment No. 16 to the First Notes, Amendment No. 16 to the Second Notes, Amendment No. 11 to the Third Notes, and Amendment No. 2 to the Fourth Notes, filed herewith as Exhibit 10.3, Exhibit 10.4, Exhibit 10.5, and Exhibit 10.6 to this Current Report on Form 8-K, respectively, which are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibits are being filed herewith:

<u>Exhibit</u>	<u>Description</u>
10.1	Form of Amendment No. 1 to Third A&R Registration Rights Agreement
10.2	Form of Amendment No. 4 to Registration Rights Agreement
10.3	Form of Amendment No. 16 to the First Notes
10.4	Form of Amendment No. 16 to the Second Notes
10.5	Form of Amendment No. 11 to the Third Notes
10.6	Form of Amendment No. 2 to the Fourth Notes
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

ARCH THERAPEUTICS, INC.

Dated: May 6, 2024

By: /s/ Terrence W. Norchi, M.D.
Name: Terrence W. Norchi, M.D.
Title: President, Chief Executive Officer

**AMENDMENT NO. 1
TO
THIRD AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT**

This Amendment No. 1 to the Third Amended and Restated Registration Rights Agreement (this “**Amendment**”) is made and entered into effective [], 2024 (the “**Amendment Effective Date**”) between Arch Therapeutics, Inc., a Nevada corporation (the “**Company**”), and certain holders of the Company’s securities identified on the signature pages hereto (collectively, the “**Consenting Holders**”). Capitalized terms not defined herein shall have the same meaning as set forth in the Third A&R Registration Rights Agreement.

RECITALS:

WHEREAS, the Company and the Consenting Holders identified on the signature pages thereto entered into the Third Amended and Restated Registration Rights Agreement, dated as of March 12, 2024 (the “**Third A&R Registration Rights Agreement**”);

WHEREAS, Section 7(c) of the Third A&R Registration Rights Agreement provides that any provision of the Third A&R Registration Rights Agreement may be amended with the written consent of the Company and the Holders of 51% or more of the then outstanding Registrable Securities;

WHEREAS, the Company and the Consenting Holders wish to amend the Third A&R Registration Rights Agreement in order to update the definition Uplist Transaction; and

WHEREAS, the Consenting Holders collectively constitute 51% or more of the outstanding Registerable Securities.

NOW, THEREFORE, for due and adequate consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. The definition of Uplist Transaction in Section 1 of the Third A&R Registration Rights Agreement shall be amended and restated as follows:

“**Uplist Transaction**” means the listing of the Common Stock on any securities exchange registered with the Commission as a “national securities exchange” under Section 6 of the Exchange Act.”

2. Except as modified by this Amendment, all other terms and conditions in the Third A&R Registration Rights Agreement shall remain in full force and effect and this Amendment shall be governed by all provisions thereof, including Section 7(h) regarding governing law. No reference to this Amendment need be made in any instrument or document making reference to the Third A&R Registration Rights Agreement; any reference to the Third A&R Registration Rights Agreement in any such instrument or document shall be deemed a reference to the Third A&R Registration Rights Agreement as amended hereby. The Third A&R Registration Rights Agreement as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

3. This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized signatories as of the date first indicated above.

ARCH THERAPEUTICS, INC.

By: _____
Name: Michael S. Abrams
Title: Chief Financial Officer

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SIGNATURE PAGE FOR CONSENTING HOLDERS FOLLOWS]

[CONSENTING HOLDERS SIGNATURE PAGES TO AMENDMENT]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Holder: _____

Signature of Authorized Signatory of Holder: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

**AMENDMENT NO. 4
TO
REGISTRATION RIGHTS AGREEMENT**

This Amendment No. 4 to the Registration Rights Agreement (this “**Amendment**”) is made and entered into effective [], 2024 (the “**Amendment Effective Date**”) between Arch Therapeutics, Inc., a Nevada corporation (the “**Company**”), and certain holders of the Company’s securities identified on the signature pages hereto (collectively, the “**Consenting Holders**”). Capitalized terms not defined herein shall have the same meaning as set forth in the Registration Rights Agreement.

RECITALS:

WHEREAS, the Company and the Consenting Holders identified on the signature pages thereto entered into the Registration Rights Agreement dated as of July 7, 2023, as amended on August 30, 2023, and as subsequently amended on November 8, 2023 and November 21, 2023 (as amended, the “**Registration Rights Agreement**”);

WHEREAS, Section 7(c) of the Registration Rights Agreement provides that any provision of the Registration Rights Agreement may be amended with the written consent of the Company and the Holders of 51% or more of the then outstanding Registrable Securities;

WHEREAS, the Company and the Consenting Holders wish to amend the Registration Rights Agreement in order to update the definition of Uplisting Transaction; and

WHEREAS, the Consenting Holders collectively constitute 51% or more of the outstanding Registerable Securities.

NOW, THEREFORE, for due and adequate consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. The definition of Uplist in Section 1 of the Registration Rights Agreement shall be amended and restated as follows:

“**Uplist**” means the public offering of Common Stock pursuant to a registration statement on Form S-1 (the “**Uplist S-1**”) that results in the listing of the Common Stock on any securities exchange registered with the Commission as a “national securities exchange” under Section 6 of the Exchange Act.”

2. Except as modified by this Amendment, all other terms and conditions in the Registration Rights Agreement shall remain in full force and effect and this Amendment shall be governed by all provisions thereof, including Section 7(h) regarding governing law. No reference to this Amendment need be made in any instrument or document making reference to the Registration Rights Agreement; any reference to the Registration Rights Agreement in any such instrument or document shall be deemed a reference to the Registration Rights Agreement as amended hereby. The Registration Rights Agreement as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

3. This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized signatories as of the date first indicated above.

ARCH THERAPEUTICS, INC.

By: _____
Name: Michael S. Abrams
Title: Chief Financial Officer

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR CONSENTING HOLDERS FOLLOWS]

[CONSENTING HOLDERS SIGNATURE PAGES TO AMENDMENT]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Holder: _____

Signature of Authorized Signatory of Holder: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

**AMENDMENT NO. 16
TO
SENIOR SECURED CONVERTIBLE PROMISSORY NOTE**

This Amendment No. 16 (this "Amendment") to those certain Senior Secured Convertible Promissory Notes, as amended on February 14, 2023, and as subsequently amended on March 10, 2023, March 15, 2023, April 15, 2023, May 15, 2023, June 15, 2023, July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the "First Notes"), issued by Arch Therapeutics, Inc., a Nevada corporation (the "Company"), to each Holder pursuant to that certain Securities Purchase Agreement, dated July 6, 2022, by and among the Company and the signatories thereto (the "Holders"), as amended on January 18, 2023, May 15, 2023 and March 12, 2024 (as amended, the "Securities Purchase Agreement") is made and entered into effective [], 2024 by and among the Company and the Consenting Stockholders (as defined below). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Securities Purchase Agreement.

WITNESSETH:

WHEREAS, the Company and the Consenting Stockholders desire to amend the First Notes to modify the terms of the Uplist (as defined below) repayment provision and extend the date for completion of the Uplist;

WHEREAS, pursuant to Section 4.3 of the First Notes and Section 7(e) of the Securities Purchase Agreement, the First Notes may be amended in a written instrument signed by the Company, the Lead Investor, and Holders which purchased at least 50% plus \$1.00 of the Notes based on the initial Principal Amounts thereunder (the Lead Investor and such Holders, collectively the "Consenting Stockholders"); and

WHEREAS, the undersigned Holders constitute the Consenting Stockholders.

NOW, THEREFORE, in exchange for good and valuable consideration including, without limitation, the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. Amendments to the First Notes.

1.1 The First Notes are hereby amended by deleting the words "April 30, 2024" in the first paragraph of the First Notes and replacing such words with the following words in substitution thereof:

"June 30, 2024"

1.2 Section 2.9 of the First Notes is hereby amended and restated as follows:

"Events Upon Uplist. While any portion of this Note is outstanding, in the event of the listing (the "Uplist") of the Common Stock on any securities exchange registered with the U.S. Securities and Exchange Commission (the "Commission") as a "national securities exchange" under Section 6 of the Exchange Act (a "National Exchange"), simultaneously upon the closing of the offering conducted in conjunction with the Uplist (such offering, the "Uplist Transaction"), ninety five percent (95%) of the then outstanding Principal Amount of this Note shall automatically convert (the "Automatic Conversion") into shares of Common Stock, with the Conversion Price for purposes of such Automatic Conversion being equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share. Furthermore, the Borrower shall give the Holder at least five business days prior notice identifying the date of closing of the Uplist Transaction. Notwithstanding the foregoing, if the Holder owns more than one Convertible Note, unless it elects otherwise by notice to the Borrower prior the Automatic Conversion, the aggregate amount to be converted in the Automatic Conversion for all such Convertible Notes of the Holder combined will be allocated among such Convertible Notes in inverse order of when they were issued (such that the most recently issued Convertible Note is converted in full before any portion of the next-most-recently issued Convertible Note is converted, and so on until such aggregate amount to be converted has been converted).

In addition, upon the Automatic Conversion, the Holder shall receive a warrant (the “Uplist Conversion Warrant”) to purchase a number of shares of Common Stock equal to 80 (subject to adjustment for stock splits (which, for the avoidance of doubt, in the case of a reverse stock split, would cause such number to decrease by dividing such number by the reverse stock split factor) and similar transactions occurring after the date of the execution of this Amendment) times the dollar amount under this Note that was converted in the Automatic Conversion. The Uplist Conversion Warrant shall have an exercise price equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share and shall otherwise be identical to the warrants (other than pre-funded warrants) issued pursuant to the Securities Purchase Agreement dated as of November 8, 2023 (the “Uplist PIPE”). Upon the issuance of the Uplist Conversion Warrant to the Holder, all interest payable under this Note shall be forgiven and cancelled, and no other interest shall be due or payable hereunder. The Company shall file, no later than sixty (60) days after the closing of the Uplist Transaction, a registration statement on Form S-4, or other appropriate form, registering the offer by the Company to exchange (and the Company shall in turn offer to exchange), on a one-for-one basis, all outstanding Uplist Conversion Warrants and Other Warrants (as defined below) for newly issued warrants identical to the warrants that will be sold in the Uplist Transaction accompanying the shares of Common Stock (or share equivalents) being sold in the Uplist Transaction (except that the exercise price shall remain the same as the exercise price specified above), which warrants are expected to be listed on a National Exchange under the symbol “ARTHW.” As used herein, “Other Warrants” means and includes: (x) all warrants issued pursuant to the Securities Purchase Agreement; (y) all warrants (other than pre-funded warrants) issued in the Uplist PIPE; and (z) the Exchange Warrants (as defined in the Bridge Purchase Agreement (as defined below)). Such registration statement and exchange offer shall allow each holder of a Uplist Conversion Warrant or Other Warrant to participate in such exchange and receive, no later than the earlier of (a) 60th calendar day following the date of the registration statement filing and (b) the fifth trading day following the date on which the Company is notified by the Commission that the registration statement will not be reviewed or is no longer subject to further review and comments, the new warrants in exchange as provided above, and such new warrants shall immediately be tradable on a National Exchange and the underlying shares issuable upon exercise of such warrants shall from and after such time be registered and fully tradable in each case to the same extent as the shares of Common Stock sold in the Uplist Transaction (and required current prospectuses shall be provided). Failure of the Borrower to comply with this provision, including the obligations in any of the previous three sentences, shall constitute an Event of Default. If after the Uplist Conversion Warrant is issued to the Holder the Borrower makes a prepayment of all or any portion of the remaining outstanding amount under this Note prior to the Maturity Date, the prepayment shall not be subject to the prepayment premiums set forth in Section 1.9 herein.

Upon the Automatic Conversion, a Holder shall receive pre-funded warrants (the “Note Conversion Pre-Funded Warrants”) in lieu of shares of Common Stock otherwise issuable to the Holder to the extent that the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the Automatic Conversion with respect to which the determination of this sentence is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% (or 9.99% if elected in writing by the Holder prior to the date of the execution of this Amendment) of the outstanding shares of Common Stock. For purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act, and Regulations 13D-G thereunder, provided, that the limit may be waived by the Holder (up to a maximum of 9.99%) upon, at the election of the Holder, not less than 61 days’ prior notice to the Borrower, and the provisions of the conversion limitation shall continue to apply until such 61st day (or such later date, as determined by the Holder, as may be specified in such notice of waiver). The Note Conversion Pre-Funded Warrants shall have a nominal exercise price of \$0.000125 per share (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment), may be exercised on a cashless basis, shall be exercisable immediately upon issuance, shall contain a customary beneficial ownership limitation provision and shall otherwise be identical to the pre-funded warrants issued in the Uplist PIPE.”

1.3 Section 3.9 of the First Notes is hereby amended and restated as follows:

Delisting of Common Stock. The Borrower shall fail to maintain the listing or quotation of the Common Stock on a National Exchange and such failure to be listed or quoted on any such exchange continues for a period of the lesser of five (5) days after written notice thereof to the Borrower from the Holder, or ten (10) days from the date the Borrower was or should have been aware of such breach.

1.4 The First Notes are hereby amended by deleting the words “the SEC” in Section 3.17 of the First Notes and replacing such words with the following sentence in substitution therefor:

“the Commission”

1.5 Section 3.17 of the First Notes is hereby amended and restated as follows:

Cessation of Trading. Any cessation of trading of the Common Stock on a National Exchange, and such cessation of trading shall continue for a period of seven consecutive (7) Trading Days.

1.6 The First Notes are hereby amended by deleting the words “by April 30, 2024” in Section 3.23 of the First Notes and replacing such words with the following sentence in substitution therefor:

“by June 30, 2024”

2. Miscellaneous.

2.1 The “First Note Amendment Termination Date” is hereby extended to June 30, 2024.

2.2 Except as expressly amended by this Amendment, the terms and provisions of the First Notes shall continue in full force and effect. No reference to this Amendment need be made in any instrument or document making reference to the First Notes; any reference to the First Notes in any such instrument or document shall be deemed a reference to the First Notes as amended hereby. The First Notes as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

2.3 This Amendment shall be governed by and construed in accordance with the laws of the State of Nevada as such laws are applied to agreements between parties in Nevada.

2.4 This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

ARCH THERAPEUTICS, INC.

By: _____

Name: Michael S. Abrams

Title: Chief Financial Officer

Signature Page to Amendment No. 16 to the First Notes

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

||

By: _____
Name:
Title:

Signature Page to Amendment No. 16 to the First Notes

**AMENDMENT NO. 16
TO
UNSECURED CONVERTIBLE PROMISSORY NOTE**

This Amendment No. 16 (this "Amendment") to those certain Unsecured Convertible Promissory Notes, as amended on February 14, 2023, and as subsequently amended on March 10, 2023, March 15, 2023, April 15, 2023, May 15, 2023, June 15, 2023, July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the "Second Notes"), issued by Arch Therapeutics, Inc., a Nevada corporation (the "Company"), to certain Holders pursuant to that certain Securities Purchase Agreement, dated July 6, 2022, by and among the Company and the signatories thereto (the "Holders"), as amended on January 18, 2023, May 15, 2023 and March 12, 2024 (as amended, the "Securities Purchase Agreement") is made and entered into effective [], 2024 by and among the Company and the Consenting Stockholders (as defined below). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Securities Purchase Agreement.

WITNESSETH:

WHEREAS, the Company and the Consenting Stockholders desire to amend the Second Notes to modify the terms of the Uplist (as defined below) repayment provision and extend the date for completion of the Uplist;

WHEREAS, pursuant to Section 4.3 of the Second Notes and Section 7(e) of the Securities Purchase Agreement, the Second Notes may be amended in a written instrument signed by the Company, the Lead Investor, and Holders which purchased at least 50% plus \$1.00 of the Notes based on the initial Principal Amounts thereunder (the Lead Investor and such Holders, collectively the "Consenting Stockholders"); and

WHEREAS, the undersigned Holders constitute the Consenting Stockholders.

NOW, THEREFORE, in exchange for good and valuable consideration including, without limitation, the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. Amendments to the Second Notes.

1.1 The Second Notes are hereby amended by deleting the words "April 30, 2024" in the first paragraph of the Second Notes and replacing such words with the following words in substitution therefor:

"June 30, 2024"

1.2 Section 2.9 of the Second Notes is hereby amended and restated as follows:

"Events Upon Uplist. While any portion of this Note is outstanding, in the event of the listing (the "Uplist") of the Common Stock on any securities exchange registered with the U.S. Securities and Exchange Commission (the "Commission") as a "national securities exchange" under Section 6 of the Exchange Act (a "National Exchange"), simultaneously upon the closing of the offering conducted in conjunction with the Uplist (such offering, the "Uplist Transaction"), ninety five percent (95%) of the then outstanding Principal Amount of this Note shall automatically convert (the "Automatic Conversion") into shares of Common Stock, with the Conversion Price for purposes of such Automatic Conversion being equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share. Furthermore, the Borrower shall give the Holder at least five business days prior notice identifying the date of closing of the Uplist Transaction. Notwithstanding the foregoing, if the Holder owns more than one Convertible Note, unless it elects otherwise by notice to the Borrower prior the Automatic Conversion, the aggregate amount to be converted in the Automatic Conversion for all such Convertible Notes of the Holder combined will be allocated among such Convertible Notes in inverse order of when they were issued (such that the most recently issued Convertible Note is converted in full before any portion of the next-most-recently issued Convertible Note is converted, and so on until such aggregate amount to be converted has been converted).

In addition, upon the Automatic Conversion, the Holder shall receive a warrant (the “Uplist Conversion Warrant”) to purchase a number of shares of Common Stock equal to 80 (subject to adjustment for stock splits (which, for the avoidance of doubt, in the case of a reverse stock split, would cause such number to decrease by dividing such number by the reverse stock split factor) and similar transactions occurring after the date of the execution of this Amendment) times the dollar amount under this Note that was converted in the Automatic Conversion. The Uplist Conversion Warrant shall have an exercise price equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share and shall otherwise be identical to the warrants (other than pre-funded warrants) issued pursuant to the Securities Purchase Agreement dated as of November 8, 2023 (the “Uplist PIPE”). Upon the issuance of the Uplist Conversion Warrant to the Holder, all interest payable under this Note shall be forgiven and cancelled, and no other interest shall be due or payable hereunder. The Company shall file, no later than sixty (60) days after the closing of the Uplist Transaction, a registration statement on Form S-4, or other appropriate form, registering the offer by the Company to exchange (and the Company shall in turn offer to exchange), on a one-for-one basis, all outstanding Uplist Conversion Warrants and Other Warrants (as defined below) for newly issued warrants identical to the warrants that will be sold in the Uplist Transaction accompanying the shares of Common Stock (or share equivalents) being sold in the Uplist Transaction (except that the exercise price shall remain the same as the exercise price specified above), which warrants are expected to be listed on a National Exchange under the symbol “ARTHW.” As used herein, “Other Warrants” means and includes: (x) all warrants issued pursuant to the Securities Purchase Agreement; (y) all warrants (other than pre-funded warrants) issued in the Uplist PIPE; and (z) the Exchange Warrants (as defined in the Bridge Purchase Agreement (as defined below)). Such registration statement and exchange offer shall allow each holder of a Uplist Conversion Warrant or Other Warrant to participate in such exchange and receive, no later than the earlier of (a) 60th calendar day following the date of the registration statement filing and (b) the fifth trading day following the date on which the Company is notified by the Commission that the registration statement will not be reviewed or is no longer subject to further review and comments, the new warrants in exchange as provided above, and such new warrants shall immediately be tradable on a National Exchange and the underlying shares issuable upon exercise of such warrants shall from and after such time be registered and fully tradable in each case to the same extent as the shares of Common Stock sold in the Uplist Transaction (and required current prospectuses shall be provided). Failure of the Borrower to comply with this provision, including the obligations in any of the previous three sentences, shall constitute an Event of Default. If after the Uplist Conversion Warrant is issued to the Holder the Borrower makes a prepayment of all or any portion of the remaining outstanding amount under this Note prior to the Maturity Date, the prepayment shall not be subject to the prepayment premiums set forth in Section 1.9 herein.

Upon the Automatic Conversion, a Holder shall receive pre-funded warrants (the “Note Conversion Pre-Funded Warrants”) in lieu of shares of Common Stock otherwise issuable to the Holder to the extent that the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the Automatic Conversion with respect to which the determination of this sentence is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% (or 9.99% if elected in writing by the Holder prior to the date of the execution of this Amendment) of the outstanding shares of Common Stock. For purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act, and Regulations 13D-G thereunder, provided, that the limit may be waived by the Holder (up to a maximum of 9.99%) upon, at the election of the Holder, not less than 61 days’ prior notice to the Borrower, and the provisions of the conversion limitation shall continue to apply until such 61st day (or such later date, as determined by the Holder, as may be specified in such notice of waiver). The Note Conversion Pre-Funded Warrants shall have a nominal exercise price of \$0.000125 per share (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment), may be exercised on a cashless basis, shall be exercisable immediately upon issuance, shall contain a customary beneficial ownership limitation provision and shall otherwise be identical to the pre-funded warrants issued in the Uplist PIPE.”

1.3 Section 3.9 of the Second Notes is hereby amended and restated as follows:

Delisting of Common Stock. The Borrower shall fail to maintain the listing or quotation of the Common Stock on a National Exchange and such failure to be listed or quoted on any such exchange continues for a period of the lesser of five (5) days after written notice thereof to the Borrower from the Holder, or ten (10) days from the date the Borrower was or should have been aware of such breach.

1.4 The Second Notes are hereby amended by deleting the words “the SEC” in Section 3.17 of the Second Notes and replacing such words with the following sentence in substitution therefor:

“the Commission”

1.5 Section 3.17 of the Second Notes is hereby amended and restated as follows:

Cessation of Trading. Any cessation of trading of the Common Stock on a National Exchange, and such cessation of trading shall continue for a period of seven consecutive (7) Trading Days.

1.6 The Second Notes are hereby amended by deleting the words “by April 30, 2024” in Section 3.23 of the Second Notes and replacing such words with the following sentence in substitution therefor:

“by June 30, 2024”

2. Miscellaneous.

2.1 The “Second Note Amendment Termination Date” is hereby extended to June 30, 2024.

2.2 Except as expressly amended by this Amendment, the terms and provisions of the Second Notes shall continue in full force and effect. No reference to this Amendment need be made in any instrument or document making reference to the Second Notes; any reference to the Second Notes in any such instrument or document shall be deemed a reference to the Second Notes as amended hereby. The Second Notes as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

2.3 This Amendment shall be governed by and construed in accordance with the laws of the State of Nevada as such laws are applied to agreements between parties in Nevada.

2.4 This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

ARCH THERAPEUTICS, INC.

By: _____

Name: Michael S. Abrams

Title: Chief Financial Officer

Signature Page to Amendment No. 16 to the Second Notes

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

||

By: _____
Name:
Title:

Signature Page to Amendment No. 16 to the Second Notes

**AMENDMENT NO. 11
TO
UNSECURED CONVERTIBLE PROMISSORY NOTE**

This Amendment No. 11 (this “Amendment”) to those certain Unsecured Convertible Promissory Notes, as amended on June 15, 2023, and as subsequently amended on July 1, 2023, July 7, 2023, July 31, 2023, August 30, 2023, September 30, 2023, October 31, 2023, November 15, 2023, January 5, 2024 and March 15, 2024 (as amended, the “Third Notes”), issued by Arch Therapeutics, Inc., a Nevada corporation (the “Company”), to each Holder pursuant to that certain Securities Purchase Agreement, dated July 6, 2022, by and among the Company and the signatories thereto (the “Holders”), as amended on January 18, 2023, May 15, 2023 and March 12, 2024 (as amended, the “Securities Purchase Agreement”) is made and entered into effective [], 2024 by and among the Company and the Consenting Stockholders (as defined below). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Securities Purchase Agreement.

WITNESSETH:

WHEREAS, the Company and the Consenting Stockholders desire to amend the Third Notes to modify the terms of the Uplist (as defined below) repayment provision and extend the date for completion of the Uplist;

WHEREAS, pursuant to Section 4.3 of the Third Notes and Section 7(e) of the Securities Purchase Agreement, the Third Notes may be amended in a written instrument signed by the Company, the Lead Investor, and Holders which purchased at least 50% plus \$1.00 of the Notes based on the initial Principal Amounts thereunder (the Lead Investor and such Holders, collectively the “Consenting Stockholders”); and

WHEREAS, the undersigned Holders constitute the Consenting Stockholders.

NOW, THEREFORE, in exchange for good and valuable consideration including, without limitation, the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. Amendments to the Third Notes.

1.1 The Third Notes are hereby amended by deleting the words “April 30, 2024” in the first paragraph of the Third Notes and replacing such words with the following words in substitution therefor:

“June 30, 2024”

1.2 Section 2.9 of the Third Notes is hereby amended and restated as follows:

“Events Upon Uplist. While any portion of this Note is outstanding, in the event of the listing (the “Uplist”) of the Common Stock on any securities exchange registered with the U.S. Securities and Exchange Commission (the “Commission”) as a “national securities exchange” under Section 6 of the Exchange Act (a “National Exchange”), simultaneously upon the closing of the offering conducted in conjunction with the Uplist (such offering, the “Uplist Transaction”), ninety five percent (95%) of the then outstanding Principal Amount of this Note shall automatically convert (the “Automatic Conversion”) into shares of Common Stock, with the Conversion Price for purposes of such Automatic Conversion being equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share. Furthermore, the Borrower shall give the Holder at least five business days prior notice identifying the date of closing of the Uplist Transaction. Notwithstanding the foregoing, if the Holder owns more than one Convertible Note, unless it elects otherwise by notice to the Borrower prior the Automatic Conversion, the aggregate amount to be converted in the Automatic Conversion for all such Convertible Notes of the Holder combined will be allocated among such Convertible Notes in inverse order of when they were issued (such that the most recently issued Convertible Note is converted in full before any portion of the next-most-recently issued Convertible Note is converted, and so on until such aggregate amount to be converted has been converted).”

In addition, upon the Automatic Conversion, the Holder shall receive a warrant (the "Uplist Conversion Warrant") to purchase a number of shares of Common Stock equal to 80 (subject to adjustment for stock splits (which, for the avoidance of doubt, in the case of a reverse stock split, would cause such number to decrease by dividing such number by the reverse stock split factor) and similar transactions occurring after the date of the execution of this Amendment) times the dollar amount under this Note that was converted in the Automatic Conversion. The Uplist Conversion Warrant shall have an exercise price equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share and shall otherwise be identical to the warrants (other than pre-funded warrants) issued pursuant to the Securities Purchase Agreement dated as of November 8, 2023 (the "Uplist PIPE"). Upon the issuance of the Uplist Conversion Warrant to the Holder, all interest payable under this Note shall be forgiven and cancelled, and no other interest shall be due or payable hereunder. The Company shall file, no later than sixty (60) days after the closing of the Uplist Transaction, a registration statement on Form S-4, or other appropriate form, registering the offer by the Company to exchange (and the Company shall in turn offer to exchange), on a one-for-one basis, all outstanding Uplist Conversion Warrants and Other Warrants (as defined below) for newly issued warrants identical to the warrants that will be sold in the Uplist Transaction accompanying the shares of Common Stock (or share equivalents) being sold in the Uplist Transaction (except that the exercise price shall remain the same as the exercise price specified above), which warrants are expected to be listed on a National Exchange under the symbol "ARTHW." As used herein, "Other Warrants" means and includes: (x) all warrants issued pursuant to the Securities Purchase Agreement; (y) all warrants (other than pre-funded warrants) issued in the Uplist PIPE; and (z) the Exchange Warrants (as defined in the Bridge Purchase Agreement (as defined below)). Such registration statement and exchange offer shall allow each holder of a Uplist Conversion Warrant or Other Warrant to participate in such exchange and receive, no later than the earlier of (a) 60th calendar day following the date of the registration statement filing and (b) the fifth trading day following the date on which the Company is notified by the Commission that the registration statement will not be reviewed or is no longer subject to further review and comments, the new warrants in exchange as provided above, and such new warrants shall immediately be tradable on a National Exchange and the underlying shares issuable upon exercise of such warrants shall from and after such time be registered and fully tradable in each case to the same extent as the shares of Common Stock sold in the Uplist Transaction (and required current prospectuses shall be provided). Failure of the Borrower to comply with this provision, including the obligations in any of the previous three sentences, shall constitute an Event of Default. If after the Uplist Conversion Warrant is issued to the Holder the Borrower makes a prepayment of all or any portion of the remaining outstanding amount under this Note prior to the Maturity Date, the prepayment shall not be subject to the prepayment premiums set forth in Section 1.9 herein.

Upon the Automatic Conversion, a Holder shall receive pre-funded warrants (the "Note Conversion Pre-Funded Warrants") in lieu of shares of Common Stock otherwise issuable to the Holder to the extent that the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the Automatic Conversion with respect to which the determination of this sentence is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% (or 9.99% if elected in writing by the Holder prior to the date of the execution of this Amendment) of the outstanding shares of Common Stock. For purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act, and Regulations 13D-G thereunder, provided, that the limit may be waived by the Holder (up to a maximum of 9.99%) upon, at the election of the Holder, not less than 61 days' prior notice to the Borrower, and the provisions of the conversion limitation shall continue to apply until such 61st day (or such later date, as determined by the Holder, as may be specified in such notice of waiver). The Note Conversion Pre-Funded Warrants shall have a nominal exercise price of \$0.000125 per share (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment), may be exercised on a cashless basis, shall be exercisable immediately upon issuance, shall contain a customary beneficial ownership limitation provision and shall otherwise be identical to the pre-funded warrants issued in the Uplist PIPE."

1.3 Section 3.9 of the Third Notes is hereby amended and restated as follows:

Delisting of Common Stock. The Borrower shall fail to maintain the listing or quotation of the Common Stock on a National Exchange, and such failure to be listed or quoted on any such exchange continues for a period of the lesser of five (5) days after written notice thereof to the Borrower from the Holder, or ten (10) days from the date the Borrower was or should have been aware of such breach.

1.4 The Third Notes are hereby amended by deleting the words “the SEC” in Section 3.17 of the Third Notes and replacing such words with the following sentence in substitution therefor:

“the Commission”

1.5 Section 3.17 of the Third Notes is hereby amended and restated as follows:

Cessation of Trading. Any cessation of trading of the Common Stock on a National Exchange, or an equivalent replacement exchange, and such cessation of trading shall continue for a period of seven consecutive (7) Trading Days.

1.6 The Third Notes are hereby amended by deleting the words “by April 30, 2024” in Section 3.23 of the Third Notes and replacing such words with the following words in substitution therefor:

“by June 30, 2024”

2. Miscellaneous.

2.1 The “Third Note Amendment Termination Date” is hereby extended to June 30, 2024.

2.2 Except as expressly amended by this Amendment, the terms and provisions of the Third Notes shall continue in full force and effect. No reference to this Amendment need be made in any instrument or document making reference to the Third Notes; any reference to the Third Notes in any such instrument or document shall be deemed a reference to the Third Notes as amended hereby. The Third Notes as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

2.3 This Amendment shall be governed by and construed in accordance with the laws of the State of Nevada as such laws are applied to agreements between parties in Nevada.

2.4 This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

ARCH THERAPEUTICS, INC.

By: _____

Name: Michael S. Abrams

Title: Chief Financial Officer

Signature Page to Amendment No. 11 to the Third Notes

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

||

By: _____
Name:
Title:

Signature Page to Amendment No. 11 to the Third Notes

**AMENDMENT NO. 2
TO
UNSECURED CONVERTIBLE PROMISSORY NOTE**

This Amendment No. 2 (this "Amendment") to those certain Unsecured Convertible Promissory Notes, as amended on March 15, 2024 (as amended, the Fourth Notes"), issued by Arch Therapeutics, Inc., a Nevada corporation (the "Company"), to each Holder pursuant to that certain Securities Purchase Agreement, dated July 6, 2022, by and among the Company and the signatories thereto (the "Holders"), as amended on January 18, 2023, May 15, 2023 and March 12, 2024 (as amended, the "Securities Purchase Agreement") is made and entered into effective [], 2024 by and among the Company and the Consenting Stockholders (as defined below). Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Securities Purchase Agreement.

WITNESSETH:

WHEREAS, the Company and the Consenting Stockholders desire to amend the Fourth Notes to modify the terms of the Uplist (as defined below) repayment provision and extend the date for completion of the Uplist;

WHEREAS, pursuant to Section 4.3 of the Fourth Notes and Section 7(e) of the Securities Purchase Agreement, the Fourth Notes may be amended in a written instrument signed by the Company, the Lead Investor, and Holders which purchased at least 50% plus \$1.00 of the Notes based on the initial Principal Amounts thereunder (the Lead Investor and such Holders, collectively the "Consenting Stockholders"); and

WHEREAS, the undersigned Holders constitute the Consenting Stockholders.

NOW, THEREFORE, in exchange for good and valuable consideration including, without limitation, the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. Amendments to the Fourth Notes.

1.1 The Fourth Notes are hereby amended by deleting the words "April 30, 2024" in the first paragraph of the Fourth Notes and replacing such words with the following words in substitution therefor:

"June 30, 2024"

1.2 Section 2.9 of the Fourth Notes is hereby amended and restated as follows:

"Events Upon Uplist. While any portion of this Note is outstanding, in the event of the listing (the "Uplist") of the Common Stock on any securities exchange registered with the U.S. Securities and Exchange Commission (the "Commission") as a "national securities exchange" under Section 6 of the Exchange Act (a "National Exchange"), simultaneously upon the closing of the offering conducted in conjunction with the Uplist (such offering, the "Uplist Transaction"), ninety five percent (95%) of the then outstanding Principal Amount of this Note shall automatically convert (the "Automatic Conversion") into shares of Common Stock, with the Conversion Price for purposes of such Automatic Conversion being equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share. Furthermore, the Borrower shall give the Holder at least five business days prior notice identifying the date of closing of the Uplist Transaction. Notwithstanding the foregoing, if the Holder owns more than one Convertible Note, unless it elects otherwise by notice to the Borrower prior the Automatic Conversion, the aggregate amount to be converted in the Automatic Conversion for all such Convertible Notes of the Holder combined will be allocated among such Convertible Notes in inverse order of when they were issued (such that the most recently issued Convertible Note is converted in full before any portion of the next-most-recently issued Convertible Note is converted, and so on until such aggregate amount to be converted has been converted).

In addition, upon the Automatic Conversion, the Holder shall receive a warrant (the “Uplist Conversion Warrant”) to purchase a number of shares of Common Stock equal to 80 (subject to adjustment for stock splits (which, for the avoidance of doubt, in the case of a reverse stock split, would cause such number to decrease by dividing such number by the reverse stock split factor) and similar transactions occurring after the date of the execution of this Amendment) times the dollar amount under this Note that was converted in the Automatic Conversion. The Uplist Conversion Warrant shall have an exercise price equal to \$0.50 (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment) per share and shall otherwise be identical to the warrants (other than pre-funded warrants) issued pursuant to the Securities Purchase Agreement dated as of November 8, 2023 (the “Uplist PIPE”). Upon the issuance of the Uplist Conversion Warrant to the Holder, all interest payable under this Note shall be forgiven and cancelled, and no other interest shall be due or payable hereunder. The Company shall file, no later than sixty (60) days after the closing of the Uplist Transaction, a registration statement on Form S-4, or other appropriate form, registering the offer by the Company to exchange (and the Company shall in turn offer to exchange), on a one-for-one basis, all outstanding Uplist Conversion Warrants and Other Warrants (as defined below) for newly issued warrants identical to the warrants that will be sold in the Uplist Transaction accompanying the shares of Common Stock (or share equivalents) being sold in the Uplist Transaction (except that the exercise price shall remain the same as the exercise price specified above), which warrants are expected to be listed on a National Exchange under the symbol “ARTHW.” As used herein, “Other Warrants” means and includes: (x) all warrants issued pursuant to the Securities Purchase Agreement; (y) all warrants (other than pre-funded warrants) issued in the Uplist PIPE; and (z) the Exchange Warrants (as defined in the Bridge Purchase Agreement (as defined below)). Such registration statement and exchange offer shall allow each holder of a Uplist Conversion Warrant or Other Warrant to participate in such exchange and receive, no later than the earlier of (a) 60th calendar day following the date of the registration statement filing and (b) the fifth trading day following the date on which the Company is notified by the Commission that the registration statement will not be reviewed or is no longer subject to further review and comments, the new warrants in exchange as provided above, and such new warrants shall immediately be tradable on a National Exchange and the underlying shares issuable upon exercise of such warrants shall from and after such time be registered and fully tradable in each case to the same extent as the shares of Common Stock sold in the Uplist Transaction (and required current prospectuses shall be provided). Failure of the Borrower to comply with this provision, including the obligations in any of the previous three sentences, shall constitute an Event of Default. If after the Uplist Conversion Warrant is issued to the Holder the Borrower makes a prepayment of all or any portion of the remaining outstanding amount under this Note prior to the Maturity Date, the prepayment shall not be subject to the prepayment premiums set forth in Section 1.9 herein.

Upon the Automatic Conversion, a Holder shall receive pre-funded warrants (the “Note Conversion Pre-Funded Warrants”) in lieu of shares of Common Stock otherwise issuable to the Holder to the extent that the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the Automatic Conversion with respect to which the determination of this sentence is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% (or 9.99% if elected in writing by the Holder prior to the date of the execution of this Amendment) of the outstanding shares of Common Stock. For purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act, and Regulations 13D-G thereunder, provided, that the limit may be waived by the Holder (up to a maximum of 9.99%) upon, at the election of the Holder, not less than 61 days’ prior notice to the Borrower, and the provisions of the conversion limitation shall continue to apply until such 61st day (or such later date, as determined by the Holder, as may be specified in such notice of waiver). The Note Conversion Pre-Funded Warrants shall have a nominal exercise price of \$0.000125 per share (subject to adjustment for stock splits and similar transactions occurring after the date of the execution of this Amendment), may be exercised on a cashless basis, shall be exercisable immediately upon issuance, shall contain a customary beneficial ownership limitation provision and shall otherwise be identical to the pre-funded warrants issued in the Uplist PIPE.”

1.3 Section 3.9 of the Fourth Notes is hereby amended and restated as follows:

Delisting of Common Stock. The Borrower shall fail to maintain the listing or quotation of the Common Stock on a National Exchange and such failure to be listed or quoted on any such exchange continues for a period of the lesser of five (5) days after written notice thereof to the Borrower from the Holder, or ten (10) days from the date the Borrower was or should have been aware of such breach.

1.4 The Fourth Notes are hereby amended by deleting the words “the SEC” in Section 3.17 of the Fourth Notes and replacing such words with the following sentence in substitution therefor:

“the Commission”

1.5 Section 3.17 of the Fourth Notes is hereby amended and restated as follows:

Cessation of Trading. Any cessation of trading of the Common Stock on a National Exchange, and such cessation of trading shall continue for a period of seven consecutive (7) Trading Days.

1.6 The Fourth Notes are hereby amended by deleting the words “by April 30, 2024” in Section 3.23 of the Fourth Notes and replacing such words with the following sentence in substitution therefor:

“by June 30, 2024”

2. Miscellaneous.

2.1 The “Fourth Note Amendment Termination Date” is hereby extended to June 30, 2024.

2.2 Except as expressly amended by this Amendment, the terms and provisions of the Fourth Notes shall continue in full force and effect. No reference to this Amendment need be made in any instrument or document making reference to the Fourth Notes; any reference to the Fourth Notes in any such instrument or document shall be deemed a reference to the Fourth Notes as amended hereby. The Fourth Notes as amended hereby shall be binding upon the parties thereto and their respective assigns and successors.

2.3 This Amendment shall be governed by and construed in accordance with the laws of the State of Nevada as such laws are applied to agreements between parties in Nevada.

2.4 This Amendment may be executed in separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

ARCH THERAPEUTICS, INC.

By: _____

Name: Michael S. Abrams

Title: Chief Financial Officer

Signature Page to Amendment No. 2 to the Fourth Notes

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

||

By: _____
Name:
Title:

Signature Page to Amendment No. 2 to the Fourth Notes