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

FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **000-55136**

Skye Bioscience, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**45-0692882**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

11250 El Camino Real, Suite 100, San Diego, CA 92130
(Address of principal executive offices) (Zip Code)

(858) 410-0266
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001	SKYE	The Nasdaq Stock Exchange LLC

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

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

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

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

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

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

As of November 10, 2026, there were 4,423,469 shares of the registrant's common stock, $0.001 par value, issued and outstanding.

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION

Item 1.	Financial Statements:	5
	Condensed Consolidated Balance Sheets as of September 30, 2026 (Unaudited) and December 31, 2025	6
	Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2026 and 2025 (Unaudited)	7
	Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2026 and 2025 (Unaudited)	8
	Condensed Consolidated Statements of Stockholders' Equity for the three and nine months ended September 30, 2026 and 2025 (Unaudited)	9
	Notes to the Unaudited Condensed Consolidated Financial Statements	11
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	34
Item 4.	Controls and Procedures	34

PART II - OTHER INFORMATION

Item 1.	Legal Proceedings	35
Item 1A.	Risk Factors	35
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	35
Item 3.	Defaults Upon Senior Securities	35
Item 4.	Mine Safety Disclosures	35
Item 5.	Other Information	35
Item 6.	Exhibits	36

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts included in this Quarterly Report are forward-looking statements, including without limitation, statements regarding:

- delays in or failure to complete the Transaction (as defined herein), whether due to an inability by either party to satisfy one or more conditions to the closing of the Transaction (the "Closing" and such date, the "Closing Date"), including an inability to obtain required shareholder approvals or certain regulatory approvals, the occurrence of events or changes in circumstances that give rise to the termination of the Transaction Agreement (as defined herein) by either party, or otherwise;
- risks related to the pendency of the Transaction and its effect on our business, financial condition, results of operations, cash flows and stock price;
- diversion of management time and attention from ordinary course business operations to the Transaction and other potential disruptions to our business relating thereto;
- the period over which we estimate our existing cash and cash equivalents will be sufficient to fund our future operating expenses and capital expenditure requirements;
- our expectations regarding the termination of our Phase 2a CBeyond clinical trial;
- the timing, scope and likelihood of regulatory filings and approvals;
- expectations regarding the size, scope and design of future clinical studies;
- our manufacturing, commercialization, and marketing plans and strategies;
- our expectations regarding the approval and use of our product candidates;
- our competitive position and the development and impact of competing therapies that are or may become available;
- the rate and degree of market acceptance and clinical utility of product candidates we may develop;
- our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- our future financial performance;
- the impact of laws and regulations;
- our ability to raise capital on favorable terms, or at all, to fund operations and to continue as a going concern;
- our ability to remediate the material weakness in our internal control over financial reporting; and
- statements relating to any pending litigation matters.

When used herein, words including “anticipate,” “believe,” “can,” “continue,” “could,” “designed,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “might,” “plan,” “planning,” “possible,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions.

All forward-looking statements are based upon the Company's current expectations and various assumptions. The Company believes there is a reasonable basis for its expectations and beliefs, but they are inherently uncertain. The Company may not realize its expectations, and its beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements as a result of various important risks and uncertainties, including, without limitation: consummating the Transaction in the anticipated timeframe, if at all; the occurrence of any event, change or other circumstance that could give rise to the termination of the Transaction Agreement; uncertainties as to the ability to obtain stockholder approval; the possibility that competing acquisition proposals will be made; the possibility that various closing conditions for the Transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the Transaction, or only grant approval subject to adverse conditions or limitations; the effects of the Transaction on relationships with employees, suppliers, other business partners or governmental entities, including the risk that the Transaction adversely affects employee retention; the difficulty of predicting the timing or outcome of regulatory approvals or actions; the impact of competitive products and pricing; the risk that Redx may not realize the potential benefits of the Transaction, including the possibility that the expected benefits from the proposed Transaction will not be realized or will not be realized within the expected time period and that Redx (as defined below) and the Company will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; the risks related to disruption of management's time from ongoing business operations as a result of the Transaction; risks that the Transaction disrupts current plans and operations; changes in the Company's business during the period between announcement and Closing; any legal proceedings and/or regulatory actions that may be instituted related to the Transaction; other business effects, including the effects of industry, economic or political conditions outside of the companies' control; costs and expenses related to the Transaction; actual or contingent liabilities; the effects of the Transaction, or the announcement thereof, on the Company's stock price and/or operating results; the initiation and design of any future clinical trials of nimacimab will be impacted by the Company's capital resources; the Company's ability to protect its intellectual property; risks associated with the Company's common stock; risks and uncertainties associated with any pending litigation matters; and the other important factors discussed under the caption "Risk Factors" in this Quarterly Report and the Company's filings with the Securities and Exchange Commission (the "SEC"), including in its Annual Report on Form 10-K for the year ended December 31, 2025, which are accessible on the SEC's website at www.sec.gov and the Investors section of the Company's website.

Any such forward-looking statements represent management's estimates as of the date of this Quarterly Report. While the Company may elect to update such forward-looking statements at some point in the future, except as required by law, it disclaims any obligation to do so, even if subsequent events cause the Company's views to change. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this Quarterly Report.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

SKYE BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,815,851	$ 5,882,498
Short-term investments	—	19,854,723
Prepaid expenses	206,984	504,890
Other current assets	12,437	852,036
Total current assets	5,035,272	27,094,147
Property and equipment, net	20,430	898,930
Operating lease right-of-use asset	8,580	266,646
Other assets	8,309	53,910
Total assets	$ 5,072,591	$ 28,313,633
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 2,448,444	$ 2,033,431
Accrued payroll liabilities	134,686	1,269,474
Other current liabilities	1,083,837	2,643,840
Estimate for accrued legal contingencies and related expenses	—	2,069,067
Insurance premium loan payable	35,763	—
Operating lease liability, current portion	9,452	189,647
Total current liabilities	3,712,182	8,205,459
Non-current liabilities		
Operating lease liability, net of current portion	—	83,999
Total liabilities	3,712,182	8,289,458
Commitments and contingencies (Note 10)		
Stockholders' equity		
Preferred stock, $0.001 par value; 200,000 shares authorized at September 30, 2026 and December 31, 2025; no shares issued and outstanding at September 30, 2026 and December 31, 2025	—	—
Common stock, $0.001 par value; 37,500,000 and 12,500,000 shares authorized at September 30, 2026 and December 31, 2025; 4,423,469 and 4,172,267 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	4,423	4,172
Additional paid-in-capital	211,457,301	206,894,489
Accumulated deficit	(210,101,315)	(186,874,486)
Total stockholders' equity	1,360,409	20,024,175
Total liabilities and stockholders' equity	$ 5,072,591	$ 28,313,633

See accompanying notes to the unaudited condensed consolidated financial statements.

Common share and per share amounts have been retroactively adjusted to reflect a 1-for-8 reverse stock split effected on August 24, 2026, throughout the unaudited condensed consolidated financial statements unless otherwise stated.

SKYE BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Operating (income) expenses				
Research and development	$ 1,316,222	$ 9,357,444	$ 13,193,834	$ 30,892,454
General and administrative	3,657,461	3,907,090	12,265,518	12,375,567
Change in estimate for legal contingency	(5,000,000)	—	(1,750,000)	—
Total operating (income) expenses	(26,317)	13,264,534	23,709,352	43,268,021
Operating income (loss)	26,317	(13,264,534)	(23,709,352)	(43,268,021)
Other (income) expense				
Interest expense	3,299	—	8,797	—
Interest and other income, net	(49,099)	(418,474)	(321,922)	(1,609,807)
Gains from asset sales	—	(91,400)	(178,200)	(180,763)
Other expense	2,991	—	5,402	—
Total other (income) expense, net	(42,809)	(509,874)	(485,923)	(1,790,570)
Income (loss) before income taxes	69,126	(12,754,660)	(23,223,429)	(41,477,451)
Provision for income taxes	—	—	3,400	5,400
Net income (loss)	$ 69,126	$ (12,754,660)	$ (23,226,829)	$ (41,482,851)
Income (loss) per common share:				
Basic	$ 0.01	$ (2.57)	$ (4.68)	$ (8.37)
Diluted	$ 0.01	$ (2.57)	$ (4.68)	$ (8.37)
Weighted average shares of common stock outstanding used to compute income (loss) per share:				
Basic	4,960,912	4,958,241	4,960,656	4,956,814
Diluted	4,994,551	4,958,241	4,960,656	4,956,814

See accompanying notes to the unaudited condensed consolidated financial statements.

Common share and per share amounts have been retroactively adjusted to reflect a 1-for-8 reverse stock split effected on August 24, 2026, throughout the unaudited condensed consolidated financial statements unless otherwise stated.

SKYE BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net Loss	$ (23,226,829)	$ (41,482,851)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	361,809	543,343
Stock-based compensation expense	4,566,214	6,149,154
Gains from asset sales	(178,200)	(180,763)
Impairment and losses on disposal of property and equipment	603,540	—
Change in estimate for legal contingencies	(1,750,000)	—
Changes in assets and liabilities:		
Prepaid expenses	619,769	(3,510,349)
Right-of-use assets	170,367	—
Other current assets	839,599	1,309,369
Other assets	45,601	—
Accounts payable	415,013	2,187,002
Accrued payroll liabilities	(1,134,788)	(193,481)
Operating lease liability	(264,194)	(133,745)
Other current liabilities	(1,879,070)	2,016,279
Net cash used in operating activities	(20,811,169)	(33,296,042)
Cash flows from investing activities:		
Proceeds from the sale of assets, net of sales costs	178,200	180,763
Maturities/(purchase) of short-term investments	19,854,723	(16,871,229)
Purchase of property and equipment	—	(6,312)
Cash from asset disposition	850	—
Net cash provided by (used in) investing activities	20,033,773	(16,696,778)
Cash flows from financing activities:		
Purchase under employee stock purchase plan	6,274	18,158
Cash paid in lieu of fractional shares from reverse stock split	(9,425)	—
Repayment of insurance premium loan payable	(286,100)	—
Net cash (used in) provided by in financing activities	(289,251)	18,158
Net decrease in cash and cash equivalents	(1,066,647)	(49,974,662)
Cash and cash equivalents, beginning of period	$ 5,882,498	$ 68,415,741
Cash and cash equivalents, end of period	$ 4,815,851	$ 18,441,079
Cash paid during the year for:		
Interest	$ 8,797	$ —
Income taxes	3,400	5,400
Supplemental disclosures of non-cash financing activities:		
Financing of D&O insurance premium	$ 321,863	$ —

See accompanying notes to the unaudited condensed consolidated financial statements.

SKYE BIOSCIENCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amounts			
Balance, January 1, 2026	**4,172,267**	**$ 4,172**	**$ 206,894,489**	**$ (186,874,486)**	**$ 20,024,175**
Stock-based compensation expense	117	—	1,496,990	—	1,496,990
Exercise of pre-funded warrants	218,476	218	(218)	—	—
Net loss for the three months ended March 31, 2026	—	—	—	(12,509,361)	(12,509,361)
Balance, March 31, 2026	**4,390,860**	**$ 4,390**	**$ 208,391,261**	**$ (199,383,847)**	**$ 9,011,804**
Stock-based compensation expense	1,055	1	1,271,208	—	1,271,209
Purchases under employee stock purchase plan	1,050	1	6,273	—	6,274
Net loss for the three months ended June 30, 2026	—	—	—	(10,786,594)	(10,786,594)
Balance, June 30, 2026	**4,392,965**	**$ 4,392**	**$ 209,668,742**	**$ (210,170,441)**	**$ (497,307)**
Stock-based compensation expense	—	—	1,798,015	—	1,798,015
Exercise of pre-funded warrants	34,708	35	(35)	—	—
Cash settlement of fractional shares in connection with reverse stock split	(4,204)	(4)	(9,421)	—	(9,425)
Net income for the three months ended September 30, 2026	—	—	—	69,126	69,126
Balance, September 30, 2026	**4,423,469**	**$ 4,423**	**$ 211,457,301**	**$ (210,101,315)**	**$ 1,360,409**

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amounts			
Balance, January 1, 2025	**3,871,820**	**$ 3,872**	**$ 199,097,524**	**$ (130,949,672)**	**$ 68,151,724**
Stock-based compensation expense	—	—	2,201,909	—	2,201,909
Net loss for the three months ended March 31, 2025	—	—	—	(11,103,319)	(11,103,319)
Balance, March 31, 2025	**3,871,820**	**$ 3,872**	**$ 201,299,433**	**$ (142,052,991)**	**$ 59,250,314**
Stock-based compensation expense	469	—	2,033,109	—	2,033,109
Purchases under employee stock purchase plan	1,225	1	18,157	—	18,158
Net loss for the three months ended June 30, 2025	—	—	—	(17,624,872)	(17,624,872)
Balance, June 30, 2025	**3,873,514**	**$ 3,873**	**$ 203,350,699**	**$ (159,677,863)**	**$ 43,676,709**
Stock-based compensation expense	117	—	1,914,136	—	1,914,136
Net loss for the three months ended September 30, 2025	—	—	—	(12,754,660)	(12,754,660)
Balance, September 30, 2025	**3,873,631**	**$ 3,873**	**$ 205,264,835**	**$ (172,432,523)**	**$ 32,836,185**

See accompanying notes to the unaudited condensed consolidated financial statements.

Common share and per share amounts have been retroactively adjusted to reflect a 1-for-8 reverse stock split effected on August 24, 2026, throughout the unaudited condensed consolidated financial statements unless otherwise stated.

SKYE BIOSCIENCE, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Organization, Basis of Presentation and Significant Accounting Policies

Nature of Operations

Skye Bioscience, Inc. (the "Company" or "Skye") was incorporated in Nevada on March 16, 2011. The Company is a clinical stage biotechnology company that has developed next-generation molecules that modulate G-protein-coupled receptors ("GPCRs") to treat obesity, overweight, and related conditions. In the second quarter of 2026, the Company paused all research and development activities for nimacimab.

Our lead product candidate, nimacimab, was being developed for weight loss in patients with obesity and overweight. In October 2025, results from its CBeyond Phase 2a trial demonstrated no difference in weight loss at 26-weeks between placebo and nimacimab-alone, while there was a significant difference in weight loss when nimacimab was combined with semaglutide compared to semaglutide alone.

In March 2026, the Company initiated an expansion study (Part C) of the CBeyond Phase 2a trial to assess preliminary safety and pharmacokinetic (PK) profile of nimacimab administered intravenously (IV). The expansion study comprised two cohorts of nimacimab monotherapy (400 mg IV and 600 mg IV) compared to placebo administered weekly over 15 weeks (16 doses), with a 12 week follow up period, to generate preliminary monotherapy safety, PK, and exploratory efficacy data. Within each dose cohort, 8 participants were randomized in a 3:1 ratio to nimacimab (n=6) or placebo (n=2).

Since inception, the Company had devoted substantially all its efforts to securing its product pipeline, carrying out research and development, preparing for and conducting clinical trials, building infrastructure and raising capital. Following the Company's review of the rapidly changing anti-obesity medicine landscape and the potential commercial success of nimacimab's target product profile, in the second quarter of 2026, Skye management determined that in order to maximize shareholder value the CBeyond trial, including the Part C expansion study, was terminated and all associated R&D activities for nimacimab were paused. On April 19, 2026 the Company engaged Stifel, Nicolaus & Company, Incorporated ("Stifel") as its exclusive financial advisor to assist in evaluating strategic alternatives. Following these actions, the Company's activities have primarily focused on pursuing the proposed transaction with Redx Pharma Limited. See Note 2, Pending Redx Transaction and Related Financings, for additional information regarding the proposed transaction and related financing arrangements.

Pending Transaction with Redx Pharma Limited

On August 14, 2026, Skye entered into a transaction agreement ("Transaction Agreement") with Redx Pharma Limited with registered number 07368089 ("Redx"), a private limited company incorporated in England and Wales. Pursuant to the Transaction Agreement, and subject to the terms and conditions set forth therein, Skye will acquire the entire issued and to be issued share capital of Redx pursuant to a scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006 (the "Scheme of Arrangement" and such transaction, the "Transaction"). See Note 2, Pending Redx Transaction and Related Financings, for additional information.

In anticipation of the Transaction Agreement, the Company initiated a reduction in operating activities during the second and third quarters of 2026. These actions included a workforce reduction, the disposition of certain manufacturing-related assets that were no longer expected to be used in operations, and other activities associated with the wind-down of the Company's legacy operations. As a result, the Company recognized certain non-recurring charges during the three and nine months ended September 30, 2026. Additional information regarding the operating reductions and related asset impairment is included in Note 5, Property and equipment, net, and additional information regarding the Transaction Agreement is included in Note 2, Pending Redx Transaction and Related Financings.

Reverse Stock Split

August 2026 Reverse Stock Split

On August 12, 2026, the Company filed a Certificate of Change with the Secretary of State of the State of Nevada to effect a 1-for-8 reverse stock split of its issued and outstanding common stock (the "2026 Reverse Stock Split"), effective at 12:01 a.m. Eastern Time on August 24, 2026. The Company's common stock began trading on a split-adjusted basis on The Nasdaq Capital Market on August 24, 2026. In connection with the 2026 Reverse Stock Split, the number of authorized shares of

common stock was proportionately reduced from 300,000,000 to 37,500,000, and the par value remained unchanged at $0.001 per share. No fractional shares were issued; stockholders otherwise entitled to fractional shares received cash in lieu thereof.

Unless otherwise indicated, all common share and per-share amounts, including weighted-average shares outstanding and loss per share, and the number of shares underlying outstanding stock options, restricted stock units and warrants, together with the related exercise prices, as applicable, presented in these unaudited condensed consolidated financial statements and accompanying notes have been retrospectively adjusted to reflect the 2026 Reverse Stock Split for all periods presented.

Impact of Geopolitical and Macroeconomic Factors

It is possible that the Company may encounter supply chain issues related to global economic and political conditions such as a lack of production or laboratory resources, pandemics or cyberattacks that could cause business disruptions and clinical trial delays which will need to be managed in the future. There may also be significant uncertainty resulting from the impact of other geopolitical and macroeconomic factors, including global pandemics, tariffs, inflation, supply chain issues, fluctuating interest rates, future bank failures and disruptions to the supply chain as a result of increased geopolitical tensions between the U.S. and its international trade partners, including China and Iran.

Liquidity

The Company has incurred operating losses and negative cash flows from operations since inception and as of September 30, 2026, had a working capital of $1,323,090 and an accumulated deficit of $210,101,315. As of September 30, 2026, the Company had unrestricted cash and cash equivalents in the amount of $4,815,851. For the three months ended September 30, 2026, the Company incurred income from operations of $26,317. For the three months ended September 30, 2025, the Company incurred loss from operations of $13,264,534. For the nine months ended September 30, 2026 and 2025, the Company incurred losses from operations of $23,709,352 and $43,268,021, respectively. For the three months ended September 30, 2026, the Company incurred net income of $69,126. For the three months ended September 30, 2025, the Company incurred a net loss of $12,754,660. For the nine months ended September 30, 2026 and 2025, the Company incurred net losses of $23,226,829 and $41,482,851, respectively. The Company expects to continue to incur significant losses through the end of 2026 and expects to incur significant losses and negative cash flows from operations in the future.

The Company’s continued existence is dependent on its ability to close its proposed Transaction or to raise sufficient additional funding to cover operating expenses. As of the date that these financials are filed, management estimates that the Company has sufficient capital through the Closing. However, the Company's continued operations beyond the fourth quarter of 2026 will depend on its ability to complete the proposed Transaction or to successfully raise additional capital through various potential sources, such as equity and/or debt financings, or strategic relationships. If adequate funds are not available to the Company when needed it will be required to curtail or perhaps cease operations which would, in turn, further raise substantial doubt about its ability to continue as a going concern. These conditions give rise to substantial doubt as to the Company’s ability to continue as a going concern within one year after the date that these financial statements are issued.

The Company is a party to a legal proceeding with a former employee (see Note 10, Commitments and Contingencies). On November 10, 2026, a jury returned a unanimous verdict in favor of the Company on all claims, in the retrial of that matter (see Note 12, Subsequent Events). As of September 30, 2026, the estimated legal contingency is $0, excluding accrued legal expenses.

The Company does not believe that inflation has had a material impact on its operating results during the periods presented. However, inflation has had, and may continue to have, an impact on general and administrative costs such as professional fees, employee costs and travel costs, and may in the future adversely affect the Company's operating results. In addition, increased inflation has had and may continue to have an effect on interest rates. Increased interest rates may adversely affect the terms under which the Company can obtain any potential additional funding.

Nasdaq Communications

As previously disclosed by the Company in its Current Report on Form 8-K filed with the SEC on August 18, 2026, the Listing Qualifications Department of The Nasdaq Stock Market LLC ("Nasdaq") notified the Company that its stockholders’ deficit of $497,307 as of June 30, 2026 did not satisfy the $2,500,000 minimum stockholders’ equity requirement under Nasdaq Listing Rule 5550(b)(1). Nasdaq provided the Company until October 2, 2026 to submit a plan to regain compliance. The Company has submitted its initial plan to regain compliance and is actively working with Nasdaq as it reviews and responds to the Company's plan. If Nasdaq accepts the plan, it may grant an extension of up to 180 calendar days from the notification date, or until

February 14, 2027, for the Company to demonstrate compliance. As of September 30, 2026, the Company's stockholders' equity was $1,360,409.

The Company's common stock continues to trade on The Nasdaq Capital Market under the symbol "SKYE" at this time. While the Company plans to review all available options, there can be no assurance that the Company will regain compliance with the minimum stockholders' equity requirement or maintain compliance with other applicable Nasdaq listing requirements.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Interim financial results are not necessarily indicative of results anticipated for the full year, or any future periods.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the unaudited condensed consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

The unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, from which the prior year balance sheet information herein was derived.

Certain reclassifications have been made to the amounts in prior periods to conform to the current period's presentation, including reclassifying discovery research and development expense amounts from external clinical development expenses into other research and development expenses, as described in Note 11, Segment Reporting. Such reclassifications did not have a material impact on the accompanying unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements and notes thereto give retrospective effect for the 2026 Reverse Stock Split for all periods presented. All common stock, options exercisable for common stock, restricted stock units, warrants, and per share amounts contained in the unaudited condensed consolidated financial statements have been retrospectively adjusted to reflect the 2026 Reverse Stock Split for all periods presented.

During the nine months ended September 30, 2026, except as described below under "Property and Equipment, net," there were no changes to the Company's significant accounting policies as described in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Property and Equipment, net

Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally three to five years. Leasehold improvements are amortized over the shorter of the estimated useful life of the improvements or the remaining lease term. Expenditures for repairs and maintenance, which do not extend the useful life of the property and equipment, are expensed as incurred. Upon retirement, the asset cost and related accumulated depreciation are relieved from the accompanying unaudited condensed consolidated balance sheets.

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is assessed by comparing the carrying amount of the asset to the estimated undiscounted future cash flows expected to result from the asset's use and eventual disposition. If the carrying amount is determined to be unrecoverable, an impairment loss is recognized for the amount by which the carrying amount exceeds the asset's fair value. During the nine months ended September 30, 2026, the Company recognized an impairment loss of $589,660 related to certain clinical manufacturing fixed assets in the second quarter of 2026. The impairment resulted from changes in the Company's strategic plans and the determination that the carrying amounts of the assets were no longer recoverable. See Note 5, Property and equipment, net, for additional information.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires additional disclosure of the nature of expenses included in the income statement. The standard requires disclosures about specific types of expenses included in the expense captions presented in the income statement as well as disclosures about selling expenses. This ASU is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The requirements

should be applied on a prospective basis while retrospective application is permitted. The Company is currently evaluating the impact the adoption of this ASU will have on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11 – Interim Reporting ("ASU 2025-11") which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and content of such financial statements, interim disclosures requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2025-11 may have on the Company's consolidated financial statements and disclosures.

In December 2025, the FASB issued its final ASU which makes improvements to the Accounting Standards Codification ("ASC") in response to feedback from stakeholders. This standard, issued as ASU 2025-12, specifically updates the ASC for a broad range of topics arising from technical corrections, unintended application of the ASC, clarifications, and other minor improvements. This update is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. The Company is currently evaluating the effect of this guidance on its financial statements and related disclosures.

2. Pending Redx Transaction and Related Financings

Transaction Agreement with Redx Pharma Limited

On August 14, 2026, Skye entered into the Transaction Agreement with Redx. Subject to the terms and conditions of the Transaction Agreement, the Company will acquire the entire issued and to be issued share capital of Redx pursuant to a scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006 (the "Transaction"). The Transaction had not closed as of September 30, 2026. Completion remains subject to applicable closing conditions, including required stockholder approvals, sanction of the Scheme of Arrangement by the applicable court in England and Wales, and Nasdaq approval of the combined company's initial listing application.

Under the Transaction Agreement, following the effective time of the Scheme of Arrangement (the "Effective Time"), each Scheme Share (as defined in the Scheme of Arrangement) shall be transferred from the holders of the Scheme Shares to the Company in exchange for a number of validly issued, fully paid and non-assessable shares of common stock of the Company, par value of $0.001 per share or, or, if elected for a part or all of the Scheme Shares held by an Eligible Electing Shareholder (as defined in the Transaction Agreement) shares of non-voting common stock of the Company to be established prior to the Effective Time, which shares will be convertible into shares of common stock on a one-for-one basis (the "Non-Voting Common Stock" and, the shares of common stock and/or Non-Voting Common Stock to be issued pursuant to the Transaction Agreement, the "Share Deliverables"), calculated in accordance with the exchange ratio set forth in the Transaction Agreement, which is subject to certain adjustments as set forth therein (the "Exchange Ratio").

Concurrently with entering into the Transaction Agreement, Redx entered into a subscription agreement pursuant to which, on August 27, 2026, Redx issued series A Preferred shares in the capital of Redx (the "Series A Shares") for an aggregate purchase price of $36.0 million (the "Series A Financing"), which Series A Shares form part of the Scheme Shares.

Skye Contingent Value Rights Agreement

Immediately prior to the Effective Time, the Company and a rights agent are expected to enter into a contingent value rights agreement (the "Skye CVR Agreement"), pursuant to which holders of record of common stock as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one contingent value right (each a "Skye CVR") for each outstanding share of common stock held as of such date. Pursuant to the Skye CVR Agreement, each Skye CVR holder will be entitled to receive their pro rata share of an aggregate cash payment equal to 90% of the net proceeds, if any, received by the combined company as a result of payments (the "Skye CVR Payments") made to the combined company of any upfront, milestone, royalty and other payments received under any disposition agreement related to certain of the Company's pre-Transaction assets. The Skye CVR Payments, if any, will become payable to the rights agent for subsequent distribution to the Skye CVR holders. In the event that no such proceeds are received during the CVR Term (as defined in the Skye CVR Agreement), holders of the Skye CVRs will not receive any payment pursuant to the Skye CVR Agreement. There can be no assurance that any Skye CVR holders will receive any Skye CVR Payments. The right to the contingent payments contemplated by the Skye CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Skye CVR Agreement.

Redx Contingent Value Rights Agreement

Immediately prior to the Effective Time, Redx and a rights agent are expected to enter into a contingent value rights agreement (the "Redx CVR Agreement"), pursuant to which holders of record of Redx ordinary shares as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one contingent value right (each, a "Redx CVR") for each outstanding Redx ordinary share held as of such date. Pursuant to the Redx CVR Agreement, each Redx CVR holder will be entitled to receive, at such holder's election, in the form of shares of common stock or Non-Voting Common Stock (the "Redx CVR Stock"), their pro rata share of an aggregate cash payment equal to 100% of the net proceeds, if any, received by the Company as a result of payments made to the Company of any upfront, milestone, royalty and other payments received under any disposition agreement related to certain of Redx's pre-Transaction assets. The Redx CVR Stock, if any, will become issuable for subsequent delivery by the rights agent to the Redx CVR holders. In the event that no such proceeds are received during the term of the Redx CVR Agreement, holders of the Redx CVRs will not receive any deliveries pursuant to the Redx CVR Agreement. There can be no assurance that any Redx CVR holders will receive any Redx CVR Stock. The right to the contingent payments contemplated by the Redx CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Redx CVR Agreement.

Concurrent Financing

Concurrently with entering into the Transaction Agreement, the Company entered into a securities purchase agreement (the "PIPE Securities Purchase Agreement") with certain accredited investors (the "Investors"). Pursuant to the PIPE Securities Purchase Agreement, and subject to the terms and conditions therein, the Company agreed to sell, and the Investors agreed to purchase, immediately after the Closing, shares of common stock and, as applicable pursuant to the terms of the PIPE Securities Purchase Agreement, shares of Non-Voting Common Stock for an aggregate purchase price of $67.9 million, which may increase to up to $72.9 million, subject to certain conditions set forth in a side letter between the Company and an existing investor (the "Side Letter") pursuant to which such investor has agreed to invest up to an additional $5.0 million, subject to the satisfaction of certain conditions in the Side Letter (such financing, the "Concurrent Financing"). The closing of the Concurrent Financing is anticipated to occur immediately following the Closing on the Closing Date, subject to the satisfaction of customary closing conditions.

Equity Line of Credit and Warrant

On August 21, 2026, the Company entered into a securities purchase agreement (the "ELOC Securities Purchase Agreement") with a fund affiliated with Redmile Group, LLC ("Buyer"), pursuant to which, and in accordance with the terms and conditions set forth therein, (i) the Company will be required, subject to the limitations and conditions set forth therein, to sell to Buyer, and Buyer will be obligated to purchase, shares of common stock and, as applicable pursuant to the terms of the ELOC Securities Purchase Agreement, shares of Non-Voting Common Stock, with an aggregate purchase price of up to $22.0 million, which amount shall be reduced by the amount, if any, by which the aggregate gross equity proceeds actually funded to the Company in connection with the closing of the issuance and sale of equity securities by the Company or Redx (including pursuant to the PIPE Securities Purchase Agreement and certain additional equity financings occurring or closing concurrently or in connection therewith, including the Series A Financing) exceeds $103.0 million; provided that, if such amount equals or exceeds $125.0 million, the Company shall not be required to sell, and Buyer shall not be required to purchase, any securities pursuant to the ELOC Securities Purchase Agreement; and (ii) the Company agreed to issue to Buyer on the Closing Date a warrant to purchase up to a number of shares of common stock and/or Non-Voting Common Stock equal to $5.0 million divided by the price per share of common stock paid by the Investors pursuant to the PIPE Securities Purchase Agreement, in accordance with the terms set forth therein (the "Warrant").

3. Fair Value Measurement

The following table sets forth the Company's financial instruments that were measured at fair value on a recurring basis by level within the fair value hierarchy:

	Fair Value Measurement as of September 30, 2026	
	Valuation Hierarchy	Total
Assets:		
Money market funds (included in cash and cash equivalents)	Level 1	$ 3,134,753
Total cash equivalents and marketable securities		**$ 3,134,753**

4. Prepaid Expenses, Other Current Assets and Liabilities

Prepaid expenses consist of the following:

	September 30, 2026	December 31, 2025
Prepaid clinical expenses	$ —	$ 231,493
Prepaid insurance	120,599	90,807
Other prepaid expenses	86,385	182,590
	$ 206,984	**$ 504,890**

Other current assets consist of the following:

	September 30, 2026	December 31, 2025
Vendor deposits	—	827,781
Other tax receivables	4,464	10,474
Other current assets	7,973	13,781
	$ 12,437	**$ 852,036**

Other current liabilities consist of the following:

	September 30, 2026	December 31, 2025
Research and development costs	$ —	$ 2,518,724
Legal expenses	1,063,780	88,838
Consulting and professional fees	20,057	26,356
Other accrued liabilities	—	9,922
	$ 1,083,837	**$ 2,643,840**

5. Property and equipment, net

Property and equipment, net consists of the following:

	September 30, 2026	December 31, 2025
Machinery and equipment	$ 11,150	$ 1,527,419
Computer equipment	61,281	96,744
Furniture and fixtures	18,999	24,496
Leasehold improvements	13,954	23,918
Total property and equipment, gross	105,384	1,672,577
Less: accumulated depreciation and amortization	(84,954)	(773,647)
Total property and equipment, net	$ 20,430	$ 898,930

During the second quarter of 2026, the Company began winding down its existing operations in in connection with its strategic review process and evaluation of the proposed Transaction Agreement. As a result, management determined that certain reusable manufacturing chromatography materials previously capitalized as machinery and equipment would no longer be used in the Company's operations.

Management evaluated these assets under ASC 360, Property, Plant, and Equipment, and concluded that the carrying amounts were not recoverable. In reaching this conclusion, management considered that the assets would no longer be used in operations, could not be repurposed for alternative internal use, were not intended to be sold, and that no active secondary market or other market participants were identified from whom the Company could reasonably expect to realize proceeds upon disposition.

Accordingly, the Company estimated the fair value of the assets to be zero and recorded a non-cash loss on disposal of approximately $589,660 during the nine months ended September 30, 2026. The impairment loss was included within research and development expenses in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

6. Warrants

There are significant judgments and estimates inherent in the determination of the fair value of the Company’s warrants. These judgments and estimates include assumptions regarding the Company’s future operating performance and the determination of the appropriate valuation methods.

Warrants

Warrants vested and outstanding as of September 30, 2026, are summarized as follows:

Source	Exercise Price	Weighted Average Remaining Contractual Term (Years)	Number of Warrants Outstanding
2016 Common Stock Warrants to Service Providers	2,300.00	0.08	20
August 2023 Convertible Note Common Stock Warrants	41.29	6.88	42,500
August 2023 PIPE Financing Common Stock Warrants	41.29	6.88	290,691
January 2024 Pre-Funded Warrants Common Stock	0.008	Indefinite	534,095
Total warrants outstanding as of September 30, 2026			**867,306**

As of September 30, 2026, all of the Company's warrants are fully vested.

Warrant Exercises

Pre-Funded Warrant Exercises

On January 29, 2024, the Company entered into a Securities Purchase Agreement with certain institutional investors, pursuant to which on January 31, 2024, the Company issued an aggregate of 1,464,208 shares of common stock and 1,247,342 pre-

funded warrants (the "Pre-Funded Warrants") to purchase up to 1,247,342 shares of common stock (the "January 2024 PIPE Financing") for an aggregate purchase price of $49,991,010.

On March 11, 2026, 218,750 Pre-Funded Warrants issued in the January 2024 PIPE Financing with an intrinsic value of $174,519 were exercised on a cashless basis, resulting in the issuance of 218,476 shares of Company's common stock.

On July 15, 2026, 34,761 Pre-Funded Warrants issued in the January 2024 PIPE Financing with an intrinsic value of $188,534 were exercised on a cashless basis, resulting in the issuance of 34,708 shares of Company's common stock.

7. Stock-Based Compensation

Reverse Stock Split

August 2026 Reverse Stock Split

All share and per-share amounts presented in this note have been retrospectively adjusted to reflect the 2026 Reverse Stock Split described in Note 1, Nature of Operations and Business Activities.

Stock Incentive Plan

On October 31, 2014, the Board of Directors of the Company (the "Board") approved the Company’s 2014 Omnibus Incentive Plan (the "2014 Omnibus Incentive Plan"). On June 14, 2022, the Board approved the 2014 Amended and Restated Omnibus Incentive Plan (the “2014 Amended and Restated Plan”) which replaced the 2014 Omnibus Incentive Plan in its entirety.

On September 29, 2023, the Board and holders of a majority of the voting power of the outstanding capital stock of the Company adopted and approved Amendment No. 1 to the 2014 Amended and Restated Plan. Amendment No. 1 to the 2014 Amended and Restated Plan became effective on November 6, 2023.

On October 22, 2024, the second amendment and restatement of the Company's 2014 Amended and Restated Plan was approved to increase the number of shares of the Company's common stock issuable to 191,957, extend the expiration date of the plan to September 10, 2034, update the name of the plan to the “Skye Bioscience, Inc. Amended and Restated Omnibus Incentive Plan” and make certain administrative amendments (as so amended and restated, the "Amended and Restated Plan").

At the Company's 2026 Annual Meeting of Stockholders held on May 26, 2026, the Company's stockholders approved an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of the Company's common stock from 12,500,000 shares to 37,500,000 shares (after giving effect to the August 2026 Reverse Stock Split). The Certificate of Amendment became effective upon its filing with the Nevada Secretary of State on May 28, 2026. This amendment did not modify the terms of the Amended and Restated Plan or increase the number of shares authorized for issuance under the Amended and Restated Plan.

As of September 30, 2026, the Company had 52,738 shares (after giving effect to the August 2026 Reverse Stock Split) available for future grant under the Amended and Restated Plan.

2024 Inducement Equity Incentive Plan

On July 2, 2024, the Board adopted the Skye Bioscience, Inc. 2024 Inducement Equity Incentive Plan (the "Inducement Plan"). The Company has reserved 75,000 shares of the Company’s common stock (after giving effect to the August 2026 Reverse Stock Split) for issuance pursuant to awards granted under the Inducement Plan. As of September 30, 2026, the Company had 69,063 shares (after giving effect to the August 2026 Reverse Stock Split) available for future grant under the Inducement Plan.

Stock Options

The following is a summary of option activity under the Company's Amended and Restated Plan and the Inducement Plan, for the nine months ended September 30, 2026:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value*
Outstanding, December 31, 2025	**566,041**	**$ 45.89**	**8.73**	**$ —**
Granted	175,971	6.51		
Exercised	—	—		
Cancelled	(35,449)	44.46		
Forfeited	(132,133)	24.76		
Outstanding, September 30, 2026	**574,430**	**$ 17.48**	**2.81**	**$ —**
Exercisable, September 30, 2026	**381,868**	**$ 23.13**	**3.23**	**$ —**

**The aggregate intrinsic value is the sum of the amounts by which the quoted market price of the Company's stock exceeded the exercise price of the stock options at September 30, 2026 for those stock options for which the quoted market price was in excess of the exercise price ("in-the-money options").*

The weighted-average grant-date fair value of stock options granted during the nine months ended September 30, 2026, was $4.96.

The fair value of each stock option grant was estimated on the date of grant using the Black-Scholes option-pricing model under the following assumptions:

	Nine Months Ended September 30,	
	2026	**2025**
Dividend yield	0.00%	0.00%
Volatility	84.61 - 86.16%	83.86 - 85.93%
Risk-free interest rate	3.78- 4.00%	3.87 - 4.27%
Expected term (years)	5.27- 6.08	5.27 - 6.08

On March 31, 2026, the Company effected a stock option repricing (the "Option Repricing") of all outstanding stock options held by current full-time employees, including the Company's executive officers, that were granted prior to December 31, 2025, under either the Amended and Restated Plan or the Inducement Plan. Pursuant to the Option Repricing, the exercise price of each repriced option was reduced to $4.9168 per share (or $0.6146 per share prior to giving effect to the 2026 Reverse Stock Split), the closing price per share of the Company's common stock on the repricing date. No additional changes were made to the repriced options other than a reduction in the applicable exercise price. This was deemed a type I modification (probable to probable). The total incremental expense was $339,063, to be recognized over the remaining service period.

During the three months ended September 30, 2026, the Company accelerated vesting of stock options related to a group of employees which were then terminated. The total incremental compensation cost from the acceleration of these awards was equal to $743,716, related to an acceleration of a total of 147,250 options.

Restricted Stock Units

The following is a summary of restricted stock unit ("RSU") activity during the nine months ended September 30, 2026:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested, December 31, 2025	**61,552**	**$ 77.76**
Granted	136,250	4.16
Vested	(1,172)	60.48
Unvested, September 30, 2026	**196,630**	**$ 26.86**

On August 7, 2026, the Company granted its CEO, Punit Dhillon, 136,250 restricted stock units.

2022 Employee Stock Purchase Plan

In June 2022, the Board approved the 2022 Employee Stock Purchase Plan (the "ESPP"), under which the Company may offer eligible employees the option to purchase common stock at a 15% discount to the lower of the market value of the stock at the beginning or end of each participation period under the terms of the ESPP. Total individual purchases in any year are limited to 15% of compensation. The ESPP was approved by the Company's stockholders on September 30, 2022. As of September 30, 2026, 1,050 shares (after giving effect to the 2026 Reverse Stock Split) shares were issued under the ESPP.

Stock-Based Compensation Expense

The Company recognizes stock-based compensation expense using the straight-line method over the requisite service period or derived service period. The Company recognized stock-based compensation expense for the stock options, ESPP, and the RSUs discussed above, in its unaudited condensed consolidated statements of operations as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Research and development	$ 1,135,283	$ 550,491	$ 2,214,007	$ 1,559,097
General and administrative	662,732	1,363,645	2,352,207	4,590,057
	$ 1,798,015	**$ 1,914,136**	**$ 4,566,214**	**$ 6,149,154**

The total amount of unrecognized compensation cost was $5,067,012 as of September 30, 2026. This amount will be recognized over a weighted average period of 1.13 years.

8. Debt

Insurance premium loan payable

On February 1, 2026, the Company entered into an annual financing arrangement for a portion of its Directors and Officers Insurance Policy (the “D&O Insurance”) with First Insurance Funding whereby the Company borrowed $321,863. The loan is payable in equal monthly installments of $35,763, matures on October 13, 2026, and bears an interest at a rate 4.10% per annum. As of September 30, 2026, a total of $120,599 and $35,763, remained financed in prepaid expenses and insurance premium loan payable, respectively. The loan was repaid in full at maturity on October 13, 2026.

9. Income (Loss) Per Share of Common Stock

The following tables are a reconciliation of the numerators and denominators used in the calculation of basic and diluted net income (loss) per share computations after adjusting for the 2026 Reverse Stock Split:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic EPS and diluted EPS:				
Income (Loss) (Numerator)				
Net income (loss)	$ 69,126	$ (12,754,660)	$ (23,226,829)	$ (41,482,851)
Shares (Denominator)				
Basic weighted average common shares outstanding **	4,960,912	4,958,241	4,960,656	4,956,814
Dilutive impact of outstanding equity awards	33,639	—	—	—
Diluted weighted average common shares outstanding	4,994,551	4,958,241	4,960,656	4,956,814
Per-Share Amount (Basic)	**$ 0.01**	**$ (2.57)**	**$ (4.68)**	**$ (8.37)**
Per-Share Amount (Diluted)	**$ 0.01**	**$ (2.57)**	**$ (4.68)**	**$ (8.37)**

*** The denominator considers the outstanding pre-funded warrants as common stock equivalents in calculating weighted average common shares outstanding.*

For the three months ended September 30, 2026, performance stock units increased diluted weighted-average common shares outstanding by 33,639 shares, as determined under the treasury stock method. The awards had no effect on the numerator used to calculate diluted earnings per share.

The following outstanding shares of common stock equivalents were excluded from the computation of diluted net income (loss) per share of common stock for the periods presented because including them would have been anti-dilutive or the applicable vesting conditions had not been satisfied:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Stock options	574,430	585,324	574,430	585,324
Warrants	333,211	386,148	333,211	386,148
Unvested restricted stock units	136,250	62,303	196,630	62,303

10. Commitments and Contingencies

General Litigation and Disputes

From time to time, in the normal course of operations, the Company may be a party to litigation and other dispute matters and claims. Litigation can be expensive and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. An unfavorable outcome to any legal matter, if material, could have a materially adverse effect on the Company's operations or financial position, liquidity or results of operations.

Wendy Cunning vs Skye Bioscience, Inc.

The Company is a party to a legal proceeding with a former employee alleging, among other things, wrongful termination, violation of whistleblower protections under the Sarbanes-Oxley Act of 2002, and retaliation under California law against the Company relating to certain actions and events that occurred with the Company's former management during the employee's employment term from March 2018 to July 2019. The complaint seeks unspecified economic and non-economic losses, as well as attorneys' fees. The case, entitled *Wendy Cunning vs Skye Bioscience, Inc.*, was filed in U.S. District Court (the "District Court") for the Central District of California (the "Cunning Lawsuit"). On January 18, 2023, a jury rendered a verdict in favor of the plaintiff and awarded her $512,500 in economic damages (e.g., lost earnings, future earnings and interest), $840,960 in non-economic damages (e.g., emotional distress) and $3,500,000 in punitive damages. On August 2, 2023, the District Court ruled on the plaintiff's motion for attorney fees and awarded the plaintiff $1,200,008. Based on this order, the Company reduced

the aggregate estimate for the legal contingency by $151,842, the difference between the attorney fees awarded by the District Court and the Company's previous estimate. On August 17, 2023, the Company obtained a stay on enforcement of the judgment in the Cunning Lawsuit by posting an appeal bond in the amount of $9,080,202.

In March of 2023, the Company appealed the judgment in the Cunning Lawsuit to the United States Court of Appeals for the Ninth Circuit (the "Ninth Circuit"). On October 22, 2024, the Ninth Circuit issued its decision in the Company's favor which vacated the judgment and remanded the case back to the District Court for a new trial. As a result, the Company recovered the $9,080,202 restriction on its cash related to the bond during the year ended December 31, 2024. The new trial commenced on November 3, 2026. On November 10, 2026, a jury returned a unanimous verdict of no liability in favor of the Company on all claims. The Company expects the judgement by the District Court will be entered in due course. See Note 12, Subsequent Events.

During the year ended December 31, 2024, management revised its assumptions related to its estimate of the legal contingency and the Company reversed the accrued interest on the original judgment and recognized a gain of $4,234,717 in change in estimate for legal contingencies. During the nine months ended September 30, 2026, management reassessed its estimate of the legal contingency based on developments in the litigation and information available through September 30, 2026. These developments included ongoing settlement discussions, the approaching retrial, and updated assessments regarding potential damages and litigation risk. Based on this reassessment, the Company increased its estimated legal contingency. As of September 30, 2026, the estimated legal contingency is $0, excluding accrued legal expenses. The decrease in the estimated legal contingency during the three months ended September 30, 2026 resulted in the recognition of a $5,000,000 change in estimate for legal contingencies in the accompanying unaudited condensed consolidated statements of operations. The decrease in the estimated legal contingency during the nine months ended September 30, 2026 resulted in the recognition of a $1,750,000 change in estimate for legal contingencies in the accompanying unaudited condensed consolidated statements of operations.

In reassessing the estimated legal contingency as of September 30, 2026, management considered the following factors:

- advice from external advisors, including its technical accounting advisors, regarding the appropriate application of GAAP, and legal counsel’s advice;
- the verdict returned on November 10, 2026 following the new trial, in which the jury unanimously found that the plaintiff did not engage in protected activity under the Sarbanes-Oxley Act of 2002 or the California whistleblower protection statute and awarded no damages, which management considered to provide additional evidence about conditions that existed as of September 30, 2026;
- the plaintiff’s ability to file post-trial motions and to appeal any judgment entered on the verdict, and legal counsel’s assessment of the likelihood that any such motion or appeal would succeed;
- the procedural posture of the litigation, including the Ninth Circuit’s vacatur of the prior judgment and remand for a new trial; and
- the Company’s possible defenses and counterclaims.

Based on these factors, management concluded that a loss in the Cunning Lawsuit is no longer probable and reduced the estimated legal contingency by $5,000,000 as of September 30, 2026. The remaining balance of $222,839 consists of accrued legal expenses incurred through September 30, 2026, which remain payable and are classified as Other current liabilities on the accompanying unaudited condensed consolidated balance sheets.

The plaintiff may file post-trial motions and may appeal any judgment entered on the verdict. The Company cannot predict whether the plaintiff will do so or the outcome of any such motion or appeal. If a post-trial motion or appeal were successful, the Company could be required to record a loss in a future period, and the amount of any such loss could be material. The Company intends to pursue all recoverable legal expenses related to the trial, however there is no assurance whether, or to what extent, these efforts will be successful.

Securities Class Action and Derivative Lawsuit

On November 17, 2025, a putative securities class action, Stout v. Skye Bioscience, Inc., et al., Case No. 3:25-cv-03177-WQH-DEB, was filed in the United States District Court for the Southern District of California. The action, as amended, asserts claims against the Company, its Chief Executive Officer and other defendants under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and SEC Rule 10b-5, based on allegations relating to the Company’s statements about its drug candidates, NB1111 (reference to former glaucoma program) and nimacimab, and to alleged trading in the Company’s securities, and seeks unspecified damages. On November 6, 2026, the parties entered into a stipulation of settlement, which does not include any admission of liability, providing for an aggregate cash payment of $2.5 million in

exchange for releases of claims related to the action. The Company expects the settlement payment to be funded by its insurance carriers. The lead plaintiff has filed an unopposed motion for preliminary approval of the settlement. The proposed settlement remains subject to court approval and other customary conditions and is not final.

On January 29, 2026 and May 1, 2026, respectively, stockholders filed putative derivative actions captioned Domulot v. Dhillon, et al., Case No. 3:26-cv-00600-WQH-DEB, and White v. Dhillon, et al., Case No. 3:26-cv-02776-H-MSB, in the United States District Court for the Southern District of California. The actions assert claims, purportedly on behalf of the Company, which is named as a nominal defendant, against certain current and former officers and directors for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, violations of Section 14(a) of the Exchange Act and contribution under the Exchange Act, based on allegedly false or misleading statements concerning nimacimab. The complaints seek unspecified damages, attorneys' fees and expenses, corporate governance reforms and other relief. The individual defendants deny the allegations. Both actions have been stayed pending developments in the securities class action. On August 11, 2026, the parties filed a joint motion to consolidate the actions, which the court granted on November 9, 2026.

On October 28, 2026, a third putative derivative action, Russo v. Dhillon, et al., Case No. 3:26-cv-06142-H-SBC, was filed in the United States District Court for the Southern District of California, asserting similar claims against certain current and former officers and directors. On November 3, 2026, the plaintiff voluntarily dismissed the action without prejudice and stated that she intends to pursue substantially similar claims in Nevada in accordance with the forum-selection provision in the Company's amended and restated articles of incorporation. On November 9, 2026, the plaintiff filed a new action in the Eighth Judicial District Court in Clark County, Nevada, captioned Russo v. Dhillon, et al., Case No. A-26-961452-B.

11. Segment Reporting

The Company operates in one business segment, which includes the business of research and development activities related to developing medicine for obesity and other metabolic diseases. The determination of a single business segment is consistent with the consolidated financial information regularly provided to the Company's chief operating decision maker ("CODM"). The Company's CODM is its Chief Executive Officer, who reviews and evaluates consolidated net loss for purposes of assessing performance, making operating decisions, allocating resources, and planning and forecasting for future periods.

In addition to the significant expense categories included within consolidated net loss presented on the Company's Consolidated Statements of Operations, see below for disaggregated amounts that comprise research and development expenses which are presented to the Company's CODM for review:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
External clinical development expenses [1]				
SBI-100	$ —	$ 8,270	$ —	$ 10,511
nimacimab	(12,455)	6,889,483	7,029,382	23,528,123
Total External clinical development expenses	(12,455)	6,897,753	7,029,382	23,538,634
Personnel related and stock-based compensation	1,293,636	1,495,889	4,650,749	4,241,662
Other research and development expenses [2]	35,041	963,802	1,513,703	3,112,158
Total research and development expenses	**$ 1,316,222**	**$ 9,357,444**	**$ 13,193,834**	**$ 30,892,454**

(1) External clinical development expenses include expenses for clinical trial costs and clinical manufacturing.
(2) Other research and development expenses include expenses for travel and entertainment, consulting and advisory, discovery research and development, and general business expenses.

The net book value of property and equipment in the US was equal to $20,430 and $55,488 for September 30, 2026, and December 31, 2025, respectively. The net book value of property and equipment outside of the US was equal to $0, and $843,442 for September 30, 2026, and December 31, 2025, respectively.

12. Subsequent Events

The Company has evaluated subsequent events through the date on which these unaudited condensed consolidated financial statements were issued.

Cunning Lawsuit

On November 10, 2026, following the retrial of the case entitled *Wendy Cunning vs. Skye Bioscience, Inc.* in the U.S. District Court for the Central District of California, the jury returned a unanimous verdict in favor of the Company on all claims. The Company expects the judgment by the District Court will be entered in due course. The plaintiff may file post-trial motions and may appeal any judgment entered on the verdict. The Company cannot predict whether the plaintiff will do so or the outcome of any such motion or appeal.

The verdict provided additional evidence about conditions that existed as of September 30, 2026. Accordingly, the Company reduced the estimated legal contingency by $5,000,000 as of September 30, 2026, and recognized a corresponding reduction in change in estimate for legal contingencies in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2026. As of September 30, 2026, the remaining accrual of $222,839 relates to accrued legal expenses, which remain payable and are classified as Other current liabilities on the accompanying unaudited condensed consolidated balance sheets. See Note 10, Commitments and Contingencies.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements (unaudited) for the three and nine months ended September 30, 2026 and 2025, together with the notes thereto and the consolidated financial statements and the related notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2025, which was filed with the SEC on March 10, 2026.

Solely for convenience, certain trademark and service marks (the "marks") referred to in this Quarterly Report on Form 10-Q appear without the ® or ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these marks.

Unless otherwise provided in this Quarterly Report on Form 10-Q, references to "we," "us," "our" and "Skye" in this discussion and analysis refer to Skye Bioscience, Inc., a Nevada corporation, together with its consolidated subsidiaries.

Overview

Our lead product candidate, nimacimab, a peripherally restricted negative allosteric modulating antibody targeting cannabinoid receptor 1 ("CB1")—a key GPCR involved in metabolic regulation that was developed as a subcutaneous injectable for the treatment of obesity and overweight. In the second quarter of 2026, we terminated the CBeyond trial and paused all research and development activities for nimacimab.

Results of CBeyond Phase 2a Proof-of-Concept Trial

We conducted CBeyond™, a Phase 2a proof-of-concept clinical trial of nimacimab administered as a subcutaneous injectable for the treatment of obesity and overweight in the United States. The randomized, placebo- and active-controlled, double-blind CBeyond Phase 2a trial enrolled 136 adults with obesity or overweight, including individuals with a BMI ≥27 kg/m² with at least one comorbidity. Patients were randomized across four arms, 2:2:1:1 to arms with weekly nimacimab 200 mg subcutaneously, placebo, nimacimab 200 mg plus semaglutide (Wegovy®), or placebo plus semaglutide, and were dosed weekly for 26 weeks. Patients not participating in a 26-week extension were monitored for 13 weeks post-treatment.

In October 2025, we announced topline results from our CBeyond Phase 2a proof-of-concept clinical trial of nimacimab administered as a subcutaneous injectable for the treatment of obesity and overweight in the United States. Nimacimab monotherapy arm did not achieve the primary endpoint of weight loss compared to placebo (-1.52% vs. -0.26 for placebo, mITT). Preliminary pharmacokinetic analysis suggested an association between exposure and response, indicating that the 200 mg, subcutaneous weekly dose was suboptimal as a monotherapy. At the tested dose and exposure levels, nimacimab 200 mg demonstrated a favorable safety profile with placebo-like tolerability. In combination with semaglutide, there was no increase in gastrointestinal (GI) adverse events. Importantly, there were no increases in neuropsychiatric adverse events reported resulting from treatment with nimacimab. In the combination arm, nimacimab 200 mg, subcutaneous weekly dose plus semaglutide demonstrated a clinically meaningful magnitude of weight loss compared to semaglutide alone (-13.2% vs -10.25%, p=0.0372, mITT), with no plateau being observed through Week 26.

Patients who completed 26 weeks of treatment in the Phase 2a study were eligible to enroll in a 26-week extension for a potential full treatment duration of 52 weeks with a 13-week follow-up period. A total of 43 patients were enrolled, with 19 and 24 patients in the combination and monotherapy cohorts, respectively. In the combination arms, continued with blinded treatment with nimacimab or placebo and continued receiving semaglutide (Wegovy®). Patients in the monotherapy arm received nimacimab 300 mg during the extension.

19 participants in the combination cohorts completed week 26 were eligible for, and enrolled in the extension study. Seven participants in the combination group completed the additional 26 weeks of treatment lost an additional 7.9% of weight, resulting in a mean weight loss of 22.3% . According to initial results in this limited cohort, the combination therapy remained safe and well tolerated. No SAEs or AESIs were reported during the extension period. Moreover, the 7 participants in the semaglutide-alone group completed treatment of the additional 26 weeks and lost an additional 5.8% of weight during the extension period, resulting in a mean weight loss of 19.7%. Following termination of the CBeyond trial, the Company does not expect to report additional data from the extension period, including nimacimab monotherapy data and 13-week off-therapy follow-up data.

We believe multiple factors may have resulted in the lower than anticipated weight loss results for nimacimab as a monotherapy, including a lower systemic exposure than originally modeled, and a better understanding of tissue exposure required to drive weight loss with peripheral CB1 inhibition.

In March 2026, we initiated an expansion study (Part C) of the CBeyond Phase 2a trial to assess preliminary safety and pharmacokinetic (PK) profile of nimacimab administered intravenously (IV). The expansion study comprised of two cohorts of nimacimab monotherapy (400 mg IV and 600 mg IV) compared to placebo administered weekly over 15 weeks (16 doses), with

a 12 week follow up period, to generate preliminary monotherapy safety, PK, and exploratory efficacy data. Each dose cohort was designed to randomize 8 participants in a 3:1 ratio to nimacimab (n=6) or placebo (n=2). Eight (8) participants were randomized in the first cohort, and the last participant was dosed on May 28, 2026, before completion of the planned treatment period. No participants were enrolled in the second cohort before the Company terminated the study.

On May 20, 2026 we announced that the Cohort Review Committee (CRC) responsible for reviewing safety data generated from the CBeyond Part C Expansion Study, and for approving the opening of enrollment in Cohort 2 has unanimously approved opening the second cohort of the CBeyond Part C Expansion study. On May 29, 2026, before any participant was enrolled in the second cohort, the Company terminated the CBeyond trial, including the Part C expansion study.

Recent Developments

Termination of CBeyond Study

With recent approvals of oral versions of GLP-1 receptor agonists (WEGOVY and FOUNDAYO), combined with continued development GLP-1, GIP, glucagon triple agonists, such as retatrutide demonstrating greater than 25% weight loss, Skye management determined that nimacimab's current target product profile which included at least a 600mg once-weekly dose, or 6 mL weekly injection, may not significantly penetrate the increasingly competitive anti-obesity medicine market. As a result, the Company terminated all clinical activities related to CBeyond, including enrollment for the CBeyond expansion (Part C) study, and paused all R&D activities associated with nimacimab in order to evaluate strategic options. In addition, the Company instituted multiple cost-cutting measures, including but not limited to, a reduction in workforce and termination of certain vendor contracts and licensing agreements.

Transaction with Redx Pharma Limited

On August 14, 2026, we entered into the Transaction Agreement with Redx. Pursuant to the Transaction Agreement, and subject to the terms and conditions set forth therein, we will acquire the entire issued and to be issued share capital of Redx pursuant to a Scheme of Arrangement. Upon the consummation of the Transaction, the combined company will be led by the Redx management team and plans to operate under the name Fibrx Therapeutics, Inc. The Transaction Agreement was unanimously approved by the Board and is subject to certain customary closing conditions, including the approval by the stockholders of each company. See Note 2, Pending Redx Transaction and Related Financings, in the accompanying unaudited condensed consolidated financial statements, for additional information.

Skye Contingent Value Rights Agreement

Immediately prior to the Effective Time, the Company and a rights agent are expected to enter into the Skye CVR Agreement, pursuant to which holders of record of common stock as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Skye CVR for each outstanding share of common stock held as of such date. Pursuant to the Skye CVR Agreement, each Skye CVR holder will be entitled to receive their pro rata share of an aggregate cash payment equal to 90% of the net proceeds, if any, received by the combined company as a result of the Skye CVR Payments made to the combined company of any upfront, milestone, royalty and other payments received under any disposition agreement related to certain of the Company’s pre-Transaction assets (the “Legacy Assets”). In the event that no such proceeds are received during the CVR Term (as defined in the Skye CVR Agreement), holders of the Skye CVRs will not receive any payment pursuant to the Skye CVR Agreement. There can be no assurance that any Skye CVR holders will receive any Skye CVR Payments. The right to the contingent payments contemplated by the Skye CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Skye CVR Agreement.

Redx Contingent Value Rights Agreement

Immediately prior to the Effective Time, Redx and a rights agent are expected to enter into the Redx CVR Agreement, pursuant to which holders of record of Redx ordinary shares as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Redx CVR for each outstanding Redx ordinary share held as of such date. Pursuant to the Redx CVR Agreement, each Redx CVR holder will be entitled to receive, in the form of shares of Redx CVR Stock, their pro rata share of an aggregate cash payment equal to 100% of the net proceeds, if any, received by the Company as a result of payments made to the Company of any upfront, milestone, royalty and other payments received under any disposition agreement related to certain of Redx’s pre-Transaction assets. The Redx CVR Stock, if any, will become issuable for subsequent delivery by the rights agent to the Redx CVR holders. In the event that no such proceeds are received during the term of the Redx CVR Agreement, holders of the Redx CVRs will not receive any deliveries pursuant to the Redx CVR Agreement. There can be no assurance that any Redx CVR holders will receive any Redx CVR Stock. The right to the

contingent payments contemplated by the Redx CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Redx CVR Agreement.

Concurrent Financing

Concurrently with entering into the Transaction Agreement, we entered into the PIPE Securities Purchase Agreement the Investors. Pursuant to the PIPE Securities Purchase Agreement, and subject to the terms and conditions therein, the Company agreed to sell, and the Investors agreed to purchase, immediately after the Closing, shares of common stock for an aggregate purchase price of $67.9 million, which may increase to up to $72.9 million, subject to certain conditions. The closing of the Concurrent Financing is anticipated to occur immediately after the Closing on the Closing Date, subject to the satisfaction of customary closing conditions.

Additionally, concurrently with entering into the Transaction Agreement, Redx entered into subscription agreements with new and existing Redx investors, including Redx's existing major shareholder, Redmile, pursuant to which, on August 27, 2026, Redx issued Series A Shares in the capital of Redx for an aggregate purchase price of $36.0 million (the Series A Financing, together with the Concurrent Financing, the "Financing"), which Series A Shares form part of the Scheme Shares. The Financing is expected to provide the combined company with an aggregate total gross proceeds of approximately $103.9 million, which may increase to up to $108.9 million, subject to certain conditions set forth in the Side Letter. See Note 2, pending Redx Transaction and Related Financings, for additional information.

Equity Line of Credit and Warrant

On August 21, 2026, Skye entered into the ELOC Securities Purchase Agreement with Buyer, providing for the ELOC of up to $22.0 million, subject to certain conditions and limitations. The available ELOC amount will be reduced to the extent aggregate proceeds from the Financing exceed $103.0 million and eliminated entirely if such proceeds reach $125.0 million. As of August 14, 2026, investors had committed $67.9 million under the PIPE Securities Purchase Agreement, which may increase to up to $72.9 million under the Side Letter, and Redx had raised $36.0 million in the Series A Financing. To the extent aggregate Financing proceeds are less than $125.0 million, the Company may be required to sell shares to Buyer under the ELOC, subject to its terms and conditions, which would result in additional dilution. There can be no assurance that additional investment commitments will be obtained In connection with the ELOC, Skye agreed to issue a warrant to Buyer to purchase up to $5.0 million of common stock and/or Non-Voting Common Stock upon the Closing. The number of shares underlying the Warrant will be determined by dividing $5.0 million by the price per share of common stock paid by the Investors pursuant to the PIPE Securities Purchase Agreement. The Warrant will be issued regardless of whether any shares are purchased under the ELOC.

Termination of Halozyme License Agreement

In December 2025, the Company entered into a Non-exclusive Global Collaboration and License Agreement (the "Halozyme License Agreement") with Halozyme, Inc. ("Halozyme").

Under the terms of the Halozyme License Agreement, Halozyme granted the Company a non-exclusive license to Halozyme's ENHANZE® drug delivery technology for the development of a subcutaneous co-formulation with nimacimab (such combination, the "Product"). Halozyme will also be the Company's exclusive supplier of clinical and commercial supplies of the active pharmaceutical ingredient ("API") for Halozyme's rHuPH20 bulk drug product.

On August 11, 2026, the Company notified Halozyme of its intent to terminate the Halozyme License Agreement.

Cunning Lawsuit

On November 10, 2026, following the retrial of Wendy Cunning vs. Skye Bioscience, Inc. in the U.S. District Court for the Central District of California, the jury returned a unanimous verdict in favor of the Company on all claims. The Company expects the judgement by the District Court will be entered in due course. The plaintiff may file post-trial motions and may appeal any judgment entered on the verdict. The Company cannot predict whether the plaintiff will do so or the outcome of any such motion or appeal. See Note 12, Subsequent Events, to the accompanying unaudited condensed consolidated financial statements.

Financial Overview

Revenues

To date, we have not commercialized any products and have never generated revenue from the commercialization of any product. If we are unable to complete the proposed Transaction, we may need to raise additional capital. There can be no assurances, however, that additional funding will be available on terms acceptable to us, or at all.

Research and Development Expenses

During the three and nine months ended September 30, 2026, we incurred $1,316,222 and $13,193,834 in research and development expenses, respectively. Third-quarter expenses consisted primarily of personnel-related costs, including stock-based compensation from the accelerated vesting of options held by terminated employees. Nine-month expenses related primarily to the CBeyond trial and its termination.

During the three and nine months ended September 30, 2025, we incurred $9,357,444 and $30,892,454 in research and development expense, respectively, primarily related to our efforts in conducting our Phase 2a clinical trial related to our Phase 2a clinical trial for nimacimab for obesity.

As a result of terminating the CBeyond trial and any other research and development expenses associated with nimacimab, including workforce reduction, vendor contracts and license agreements, we expect research and development expenses in the future will be significantly reduced until the completion of the proposed Transaction.

General and Administrative Expenses

Our general and administrative expenses have fluctuated year-over-year as we have entered into various strategic acquisitions to restructure and reposition our company. Additionally, as a business in the early stages of drug development we are continually evaluating our operations and infrastructure to identify areas where we can increase efficiencies. As a public company, we expect to incur additional expenses related to insurance, investor relations activities, legal and other administration and professional services to comply with the rules and regulations of the SEC, the Financial Industry Regulatory Authority ("FINRA") and Nasdaq. Other significant costs are expected to include legal fees relating to patent and corporate matters, business development costs and fees for consulting services. To incentivize our employees and be competitive to retain strong talent we issued additional equity awards in 2026 and 2025 and we repriced certain options in the first quarter of 2026, which have resulted in increased stock-based compensation expense. We expect general and administrative expenses to reduce in the future resulting from workforce reduction activities and will continue to reduce until the proposed Transaction is complete.

Estimate for Legal Contingencies and Related Expenses

The estimate for legal contingencies and related expenses relates to a litigation matter that related to a former employee of the Company. As of December 31, 2023, we had posted an appellate bond that was collateralized by an irrevocable letter of credit equal to, $9,080,202, approximately 150% of the liability recorded on our balance sheet. As of December 31, 2024, we were successful in our appeal of the judgment in the Ninth Circuit Court of Appeals and the case was remanded back to the District Court for a new trial, as a result of which we recovered the appellate bond and reduced the estimated legal contingency based on new key assumptions. For the three months ended September 30, 2026, we recorded a $5,000,000 reduction in the estimated legal contingency from the reversal of the Cunning Lawsuit loss accrual. The November 10, 2026 jury verdict provided additional evidence about conditions existing as of September 30, 2026. For the nine months ended September 30, 2026, the reversal more than offset the $3,250,000 increase recorded in the second quarter, resulting in a net credit of $1,750,000. See Note 10, Commitments and Contingencies and Note 12, Subsequent Events to the accompanying unaudited condensed consolidated financial statements.

Other (Income) Expense

Other (income) expense primarily includes interest income earned on our cash and cash equivalent balances and short term investments.

Critical Accounting Estimates

There have been no material changes in our Critical Accounting Estimates from the information provided in the "Critical Accounting Estimates" section of "Item 7-Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Recently Issued and Adopted Accounting Pronouncements

See Note 1 to the accompanying unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for information on recently issued accounting pronouncements and recently adopted accounting pronouncements. While we expect certain recently adopted accounting pronouncements to impact our disclosures in future periods, the impact upon adoption was not significant to our current estimates and operations.

Results of Operations

For the three months ended September 30, 2026 and 2025

Research and Development Expenses

Below is a summary of our research and development expenses during the three months ended September 30, 2026 and for the same period in 2025:

	Three Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Research and development expenses	$ 1,316,222	$ 9,357,444	$ (8,041,222)	(86)%

Research and development expenses for the three months ended September 30, 2026, decreased by $8,041,222 as compared to the same period in 2025. The net decrease in research and development expenses was primarily due to:

- Clinical trial costs decreased by $4,179,912 due to the termination of all clinical activities related to CBeyond, including enrollment for the CBeyond expansion (Part C) study, and the pausing of all R&D activities associated with nimacimab in order to evaluate strategic options.
- Contract manufacturing costs decreased by $2,720,237 due to the termination of all clinical activities related to CBeyond, including enrollment for the CBeyond expansion (Part C) study, and the pausing of all R&D activities associated with nimacimab in order to evaluate strategic options.
- Discovery research and development costs decreased $481,674 primarily due to the pausing of all R&D activities and cost-cutting measures implemented as the Company evaluates strategic options.
- Quality assurance costs decreased by $105,513 primarily due to the pausing of all R&D activities and cost-cutting measures implemented as the Company evaluates strategic options.
- Salaries and stock-based compensation decreased by $202,253 primarily due to a reduction in headcount, partially offset by the acceleration of vested options for terminated employees.
- Consulting, advisory and professional fees decreased by $374,969 primarily due to the pausing of all R&D activities associated with nimacimab and cost-cutting measures implemented as the Company evaluates strategic options.

General and Administrative Expenses

Below is a summary of our general and administrative expenses during the three months ended September 30, 2026, and for the same period in 2025:

	Three Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
General and administrative expenses	$ 3,657,461	$ 3,907,090	$ (249,629)	(6)%

General and administrative expenses for the three months ended September 30, 2026, decreased by $249,629 as compared to the same period in 2025. The decrease in general and administrative expenses was primarily due to:

- Salaries, benefits and other direct employee related costs decreased by $1,229,387 primarily due to lower headcount.
- Consulting, advisory and professional fees increased by $392,808 primarily due to a $425,000 cash fee paid to Stifel for its fairness opinion obtained in connection with the Transaction, partially offset by an overall reduction in consulting services utilized during the period.
- Investor relations, marketing and communications expenses decreased by $211,670 primarily due to reductions in content creation and digital marketing expenses.
- Legal fees increased by $941,721 due to costs associated with the strategic alternatives process and negotiation of the proposed Transaction Agreement and litigation defense costs.
- General business expenses decreased by $143,101 primarily due to headcount reductions and associated travel and entertainment expenses, as compared to the same period in the prior year.

Change in Estimate for Legal Contingencies

Total change in estimate for legal contingencies for the three months ended September 30, 2026, and for the same period in 2025:

	Three Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Change in estimate for legal contingencies	$ (5,000,000)	$ —	$ (5,000,000)	100 %

For the three months ended September 30, 2026, we recorded a $5,000,000 reduction in the estimated legal contingency based on the jury verdict in the retrial of the Cunning Lawsuit, which provided additional evidence about conditions that existed as of September 30, 2026. See Note 10, Commitments and Contingencies and Note 12, Subsequent Events to the accompanying unaudited condensed consolidated financial statements

Other (Income) Expense

Below is a summary of our other (income) expense for the three months ended September 30, 2026 and for the same period in 2025:

	Three Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Interest expense	$ 3,299	$ —	$ 3,299	100 %
Interest and other income, net	(49,099)	(418,474)	369,375	(88) %
Gains from asset sales	—	(91,400)	91,400	(100) %
Other expense	2,991	—	2,991	100 %
Total other income	**$ (42,809)**	**$ (509,874)**	**$ 467,065**	**(92)%**

For the three months ended September 30, 2026, other income decreased $467,065 as compared to the same period in 2025 primarily due to:

- Decreases in interest income and other income, net of $369,375 due to decreased interest from our cash equivalents and short-term investments yields as a result of the decrease in cash equivalents and short-term investments on hand.

For the nine months ended September 30, 2026 and 2025

Research and Development Expenses

Below is a summary of our research and development expenses during the nine months ended September 30, 2026 and for the same period in 2025:

	Nine Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Research and development expenses	$ 13,193,834	$ 30,892,454	$ (17,698,620)	(57)%

Research and development expenses for the nine months ended September 30, 2026, decreased by $17,698,620 as compared to the same period in 2025. The net decrease in research and development expenses was primarily due to:

- Clinical trial costs decreased by $6,017,332 due to the termination of all clinical activities related to CBeyond, including enrollment for the CBeyond expansion (Part C) study, and the pausing of all R&D activities associated with nimacimab in order to evaluate strategic options.
- Contract manufacturing costs decreased by $10,402,172 due to the termination of all clinical activities related to CBeyond, including enrollment for the CBeyond expansion (Part C) study, and the pausing of all R&D activities associated with nimacimab in order to evaluate strategic options.
- Discovery research and development costs decreased by $1,205,735 primarily due to the pausing of all R&D activities and cost-cutting measures implemented as the Company evaluates strategic options.

- Quality assurance costs decreased by $191,889 primarily due to the pausing of all R&D activities and cost-cutting measures implemented as the Company evaluates strategic options.
- Salaries and stock-based compensation increased by $409,086 primarily due to the acceleration of vested options for terminated employees, offset by a reduction in headcount.
- Consulting, advisory and professional fees decreased by $217,747 primarily due to the pausing of all R&D activities associated with nimacimab and cost-cutting measures implemented as the Company evaluates strategic options, partially offset from a build out of the Company's SOP system.

General and Administrative Expenses

Below is a summary of our general and administrative expenses during the nine months ended September 30, 2026, and for the same period in 2025:

	Nine Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
General and administrative expenses	$ 12,265,518	$ 12,375,567	$ (110,049)	(1)%

General and administrative expenses for the nine months ended September 30, 2026, decreased by $110,049 as compared to the same period in 2025. The increase in general and administrative expenses was primarily due to:

- Salaries, benefits and other direct employee related costs decreased by $2,921,051 primarily due to lower headcount.
- Consulting, advisory and professional fees increased by $522,623 primarily due to a $425,000 cash fee paid to Stifel for its fairness opinion obtained in connection with the Transaction, and the timing of tax accounting services and financial advisory services.
- Investor relations, marketing and communications expenses decreased by $759,056 primarily due to reductions in content creation and digital marketing expenses.
- Recruiting fees decreased by $83,750 primarily due to the one time cost to hire an executive in the prior period.
- Legal fees increased by $3,480,114 due to costs associated with the strategic alternatives process and negotiation of the proposed Transaction Agreement and litigation defense costs.
- General business expenses decreased $348,929 primarily due to headcount reductions and associated travel and entertainment expenses, as compared to the same period in the prior year.

Change in Estimate for Legal Contingencies

Total change in estimate for legal contingencies for the nine months ended September 30, 2026, and for the same period in 2025:

	Nine Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Change in estimate for legal contingencies	$ (1,750,000)	$ —	$ (1,750,000)	100 %

For the nine months ended September 30, 2026, we recorded a $5,000,000 reduction in the estimated legal contingency based on the jury verdict in the retrial of the Cunning Lawsuit, which offset the $3,250,000 increase recorded in the second quarter, resulting in a net credit of $1,750,000. The November 10, 2026 jury verdict provided additional evidence about conditions existing as of September 30, 2026. See Note 10, Commitments and Contingencies and Note 12, Subsequent Events to the accompanying unaudited condensed consolidated financial statements

Other (Income) Expense

Below is a summary of our other (income) expense for the nine months ended September 30, 2026 and for the same period in 2025:

	Nine Months Ended September 30,			
	2026	2025	$ Change 2026 vs. 2025	% Change 2026 vs. 2025
Interest expense	$ 8,797	$ —	8,797	100 %
Interest and other income, net	(321,922)	(1,609,807)	1,287,885	(80) %
Gains from asset sales	(178,200)	(180,763)	2,563	(1) %
Other expense	5,402	—	5,402	100 %
Total other income	**$ (485,923)**	**$ (1,790,570)**	**$ 1,304,647**	**(73)%**

For the nine months ended September 30, 2026, other income decreased $1,304,647 as compared to the same period in 2025 primarily due to:

- Decreases in interest income and other income, net of $1,287,885 due to decreased interest from our cash equivalents and short-term investments yields as a result of the decrease in cash equivalents and short-term investments on hand.

Liquidity, Going Concern and Capital Resources

Liquidity

We have incurred operating losses and negative cash flows from operations since our inception. We expect to continue to incur significant losses and negative cash flows from operations through 2026 and into the foreseeable future. Historically, we have funded our operations primarily through issuance of equity securities, borrowings from a related party and strategic transactions. We have not commercialized any products and have never generated revenue from the commercialization of any product. If we are unable to complete the proposed Transaction, we may need to raise additional capital. There can be no assurances, however, that additional funding will be available on terms acceptable to us, or at all.

As of September 30, 2026, we had working capital of $1,323,090, an accumulated deficit of $210,101,315, and stockholders' equity of $1,360,409. We had unrestricted cash and cash equivalents in the amount of $4,815,851 as of September 30, 2026, as compared to unrestricted cash and cash equivalents and short-term investments in the amount of $25,737,221 as of December 31, 2025. For the three months ended September 30, 2026, the Company incurred income from operations of $26,317. For the three months ended September 30, 2025, the Company incurred loss from operations of $13,264,534. For the nine months ended September 30, 2026 and 2025, the Company incurred losses from operations of $23,709,352 and $43,268,021, respectively. For the three months ended September 30, 2026, the Company incurred net income of $69,126. For the three months ended September 30, 2025, the Company incurred net losses of $12,754,660. For the nine months ended September 30, 2026 and 2025, the Company incurred net losses of $23,226,829 and $41,482,851, respectively.

Going Concern

Our independent registered public accounting firm issued a report on our audited consolidated financial statements as of and for the year ended December 31, 2025, that included an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern due to our recurring operating losses. Our condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. Our accompanying condensed consolidated financial statements do not include any adjustments to the carrying amounts or classification of assets and liabilities that may be necessary should we be unable to continue as a going concern. Refer to "*Risks Related to Our Limited Operating History, Financial Position and Capital Requirements — Our independent registered public accounting firm has expressed substantial doubt about our ability to continue as a going concern, and if we are unable to continue, you may lose your entire investment*" in our Annual Report on Form 10-K for additional information.

As of September 30, 2026, we have substantially reduced operations including termination of the CBeyond trial, significant reduction of all R&D costs associated with the development of nimacimab and other potential pipeline assets, reduction in workforce, and termination of vendor contracts and licensing agreements.

Our future capital requirements will depend on many factors, including:

- Our ability to complete the proposed Transaction with Redx;

- the costs associated with being a public company;
- the amount of revenue, if any, received from the monetization of the Legacy Assets, commercial sales of our drug candidates, should any of our drug candidates receive marketing approval;
- the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing possible patent claims, including litigation costs and the outcome of any such litigation;
- the outcome of any post-trial motions or appeal in the litigation matter discussed above under "General Litigation and Disputes, Wendy Cunning vs. Skye Bioscience, Inc." and "Financial Overview, Estimate for Legal Contingencies and Related Expenses"; and
- the impact of any of the foregoing of macroeconomic events, including inflation, fluctuating interest and exchange rates, and market volatility as a result of trade, fiscal and regulatory policies, including tariffs and any effects of a prolonged government shutdown.

Cash Flows

The following is a summary of our cash flows for the periods indicated and has been derived from our unaudited condensed consolidated financial statements which are included elsewhere in this Quarterly Report on Form 10-Q:

	Nine Months Ended September 30,	
	2026	**2025**
Net cash used in operating activities	$ (20,811,169)	$ (33,296,042)
Net cash provided by (used in) investing activities	20,033,773	(16,696,778)
Net cash (used in) provided by in financing activities	(289,251)	18,158

Cash Flows from Operating Activities

The primary use of cash for our operating activities during the period was to fund research development activities for our clinical product candidate and general and administrative activities. Our cash used in operating activities also reflected changes in our working capital, net of adjustments for non-cash charges, such as stock-based compensation, depreciation and amortization.

Cash used in operating activities of $20,811,169 during the nine months ended September 30, 2026, reflected a net loss of $23,226,829, partially offset by aggregate non-cash charges of $3,603,363 and included a $1,187,703 net cash outflow in our operating assets and liabilities.

Non-cash charges included a $(1,750,000) change in estimate for legal contingencies, $4,566,214 for stock-based compensation expense primarily attributable to the recognition of current period expense on prior grants, $603,540 impairment and loss on disposal of property and equipment, and $361,809 in depreciation and amortization. The net change in our operating assets and liabilities included a $1,459,368 cash inflow from the decrease in our prepaid expenses and other current assets, a $3,278,052 net cash outflow from decrease in our accrued expenses and other current liabilities and a $415,013 cash inflow from the increase of our accounts payable.

Cash used in operating activities of 33,296,042 during the nine months ended September 30, 2025, reflected a net loss $41,482,851, partially offset by aggregate non-cash charges of $6,511,734 and included a $1,675,075 net cash outflow in our operating assets and liabilities.

Cash Flows from Investing Activities

During the nine months ended September 30, 2026, our cash provided by investing activities related primarily to the maturity, of $19,854,723 in short-term investments.

During the nine months ended September 30, 2025, our cash used in investing activities related primarily to the purchase of $16,871,229 in short-term investments and $180,763 in net proceeds from the sale of the AVI building.

Cash Flows from Financing Activities

During the nine months ended September 30, 2026, cash used in financing activities included $286,100 in repayments on the our insurance premium loan payable.

During the nine months ended September 30, 2025, cash provided by financing activities included $18,158 in proceeds from the purchase under employee stock purchase plan.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures. We maintain controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, management recognizes that any control and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, management necessarily is required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures.

Management, under the supervision and with the participation of the Company's Chief Executive Officer, who also serves as its principal financial and accounting officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2026. During the preparation and review of the financial statements included in this Quarterly Report, management identified a material weakness in the Company's controls over stock-based compensation expense. Specifically, the Company did not maintain effective review controls to verify the completeness and accuracy of award data and related compensation expense calculations provided by its third-party stock administration service provider, including changes associated with employee terminations and award expirations. These deficiencies resulted in errors in reported award fair values and compensation expense. Based on this evaluation, management concluded that the Company's disclosure controls and procedures were not effective at a reasonable assurance level as of September 30, 2026. Our remediation efforts with respect to this material weakness are continuing, and we have determined that this material weakness is continuing as of September 30, 2026.

Notwithstanding the identified material weakness, management has concluded that the condensed consolidated financial statements included in this Quarterly Report fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented in conformity with GAAP.

Remediation Plans. Management, with the oversight of the Audit Committee of the Board of Directors have evaluated the impact of the material weakness describe above and designed a remediation plan to enhance our internal control environment. The identified errors were corrected before issuance of the financial statements included in this Quarterly Report. To remediate the material weakness, we plan to enhance the design, including the precision, of management's review control over stock-based compensation expense, including the completeness and accuracy of award data and expense calculations received from our third-party stock administration service provider. In addition, we will retain incremental evidence of the execution of such procedures.

The identified errors were corrected before issuance of the financial statements included in this Quarterly Report in coordination with the Company's third-party stock administration service provider and we are enhancing the Company's quarterly review controls over stock-based compensation. These enhancements include documented reconciliations of award data to approved grant, modification and termination terms; review of changes processed by the service provider; and independent validation of compensation expense calculations for modified and terminated awards.

While we believe that this action will remediate the material weakness, we have not completed all of the corrective processes, procedures and related evaluation or remediation that we believe are necessary. As we continue to evaluate and work to remediate the material weakness, we may take additional measures to address the material weakness.

Until the remediation step set forth above, including the efforts to implement the necessary control activities we identify, are fully implemented and concluded to be operating effectively for a sufficient period of time, the material weakness described above will not be considered remediated.

Changes in internal controls. Except for the material weakness described above, there were no changes in internal control over financial reporting that occurred during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

For a description of material legal proceedings, see Note 10, "*General Litigation and Disputes*" to the accompanying unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed by us in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the SEC on March 10, 2026, and in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 filed with the SEC on August 14, 2026.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

No officers or directors, as defined in Rule 16a-1(f) under the Exchange Act, adopted and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408, during the last fiscal quarter.

Item 6. Exhibits.

3.1	Amended and Restated Articles of Incorporation of Registrant (incorporated by reference to Exhibit 3.1 to our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on March 22, 2024)
3.2	Amended and Restated Bylaws of Registrant (incorporated by reference to Exhibit 3.2 to our Annual Report on Form 10-K for the year ended December 31, 2020 filed on March 2, 2021)
3.3	Certificate of Change of Skye Bioscience, Inc. dated August 12, 2026 (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed with the SEC on August 14, 2026).
10.1#†	Separation Agreement, dated August 14, 2026, by and between Skye Bioscience, Inc. and Punit Dhillon.
10.2#†	Separation Agreement, dated August 14, 2026, by and between Skye Bioscience, Inc. and Tuan Diep.
10.3#†	Form of Advisor Agreement by and between Skye Bioscience, Inc. and Punit Dhillon.
10.4#†	Form of Advisor Agreement by and between Skye Bioscience, Inc. and Tuan Diep.
31.1#	Certification of Principal Executive Officer, pursuant to Rule 13a-14 and 15d-14 of the Securities Exchange Act of 1934
31.2#	Certification of Principal Financial Officer, pursuant to Rule 13a-14 and 15d-14 of the Securities Exchange Act of 1934
32.1#	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2#	Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101#	The following materials from the Skye Biosciences, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) Condensed Consolidated Balance Sheets (Unaudited), (ii) Condensed Consolidated Statements of Operations (Unaudited), (iii) Condensed Consolidated Statements of Cash Flows (Unaudited), (iv) Condensed Consolidated Statements of Stockholders' Deficit (Unaudited), and (v) related Notes to the Unaudited Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

_____

Filed Herewith

† Management contract or compensatory plan or arrangement.

SIGNATURES

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

Skye Bioscience, Inc.,
a Nevada corporation

November 13, 2026

By: */s/ Punit Dhillon*
Punit Dhillon
Its: Chief Executive Officer, President, Secretary and Director
(Principal Executive Officer & Principal Financial and Accounting Officer)

▪info@skyebioscience.com
+1 (858) 410-0266

▪ 11250 El Camino Real, Suite 100
San Diego, CA 92130



SEPARATION AND RELEASE AGREEMENT

This agreement sets forth the substance of the transition and separation agreement (the "**Agreement**") that Skye Bioscience, Inc. (the "**Company**") is offering to you, Punit Dhillon, to aid in your employment transition.

1. Separation and Transition Period. Your last day of employment with the Company will be referred to as the "**Separation Date**." The Separation Date will be August 31, 2027, unless you resign or the Company terminates your employment prior to that date. Between now and the Separation Date (the "**Transition Period**"), you will perform all job duties requested by the Company. You will continue to be paid your full-time base salary, and you will continue to be eligible for employee benefits during the Transition Period, subject to any terms and conditions of the applicable benefits plans. You agree that except as amended by this Agreement, the terms of your Executive Employment Agreement with the Company dated August 10, 2020 (the "**Employment Agreement**"), which is attached hereto as Exhibit A and is incorporated herein by reference, will continue in full force and effect throughout the Transition Period. To the extent there is any conflict between the terms of this Agreement and the Employment Agreement, the terms of this Agreement will govern.

2. Accrued Salary and Paid Time Off. On or about the Separation Date, the Company will pay you all accrued salary earned through the Separation Date, subject to standard payroll deductions and withholdings. You are entitled to this payment by law. Since you have been subject to the Company's nonaccrual vacation policy, you agree that you do not have any accrued vacation or other paid time off and thus are not owed and will not be paid out for any accrued vacation or other paid time off.

3. RSU Grant. The Board has approved a grant to you of 1,090,000 restricted stock units (the "RSUs") pursuant to the Company's Amended and Restated Omnibus Equity Incentive Plan and the applicable restricted stock unit award agreement. If vested, each RSU represents the right to receive on August 31, 2027, one (1) share of the Company's common stock. The RSUs will vest upon the earlier of your continued employment through August 31, 2027, or the termination of your employment by the Company without Cause (as defined below), provided that in either case, you timely sign and return to the Company the Separation Date Release attached as Exhibit B hereto. If prior to August 31, 2027, you resign your employment for any reason or the Company terminates your employment for Cause or due to your death or disability as set forth in Sections IV.B and C of the Employment Agreement ("**Death or Disability**"), the RSUs will not vest and will be forfeited as of the Separation Date.

4. Severance Payment. If your employment is terminated by the Company without Cause prior to August 31, 2027, and you: (i) satisfactorily perform your job duties through the Separation Date, as determined by the Company in its sole good faith discretion, (ii) timely sign and return this Agreement to the Company and timely sign and return the Separation Date Release attached as Exhibit B to this Agreement within ten (10) calendar days after the Separation Date, and (iii) comply with all of your obligations under all agreements between you

and the Company, including (without limitation) this Agreement, the Employee Proprietary Information and Inventions Agreement attached hereto as Exhibit C (the "**PIIA**") and the Employment Agreement (the conditions described in (i)-(iii) shall be referred to collectively as the "**Preconditions**"), then the Company will pay you, as severance, an amount equivalent to the base salary you otherwise would have earned, the amount of any health insurance benefits premiums the Company would have otherwise paid on your behalf between the Separation Date and August 31, 2027, had you continued employment through August 31, 2027, plus an amount equivalent to the prior twelve months of health insurance premiums paid on your behalf by the Company (the "**Severance**"). If your employment terminates on August 31, 2027, and you meet the Preconditions set forth above, the Company will pay you Severance in an amount equivalent to the prior twelve months of health insurance premiums paid on your behalf by the Company. In the event that you terminate employment prior to August 31, 2027, any Severance will be paid subject to all applicable payroll deductions and tax withholding in equal installments on the Company's regular payroll dates after the Separation Date through August 31, 2027. The first such installment payment will be made on the next payroll date that occurs after at least five (5) business days following the date you sign and return the Separation Date Release to the Company. If you terminate employment on August 31, 2027, any Severance will be paid in a single lump sum amount within 10 business days after you sign and return the Separation Date Release to the Company.

a. Early Resignation. If you resign your employment prior to August 31, 2027, your compensation and benefits will immediately cease. You will receive the final pay as described in Section 2 above, but you will not be eligible to receive Severance or any other benefits pursuant to the terms of this Agreement.

b. Termination for Cause, or Due to Death or Disability. If the Company terminates your employment for Cause, or due to Death or Disability, you (or your estate or heirs) will receive the final pay as described in Section 2 above, but you will not be entitled to receive Severance or any other benefits under this Agreement. For purposes of this Agreement, "**Cause**" shall mean the occurrence of one or more of the following: (i) your failure to satisfactorily perform your job duties, or satisfactorily provide assistance with regard to the transition of your responsibilities, as determined by the Company in its good faith discretion; (ii) your conviction of any felony crime involving moral turpitude or dishonesty; (iii) your participation in any fraud against the Company; (iv) your conduct that is injurious to the Company, monetarily or otherwise; (iv) intentional damage to any property of the Company by you; or (vi) your material breach of any agreement with the Company, including (without limitation) the PIIA.

5. Health Insurance. Your Company-provided health insurance benefits coverage will end on the last day of the month in which the Separation Date occurs. To the extent provided by the California COBRA ("Cal-COBRA"), and by the Company's current group health insurance policies, you will be eligible to continue your group health insurance benefits at your own expense after that date.

6. Advisor Assistance and Continued Vesting. Provided that you do not resign early, your employment is not terminated by the Company for Cause, or due to Death or Disability, and you meet the Preconditions set forth above, the Advisor Agreement attached hereto as Exhibit D and incorporated herein by reference, if signed by you and the Company, will become effective the day after the Separation Date (the "Advisor Agreement").

7. Equity Treatment. Other than the RSUs described in Section 3 above, your equity as granted during employment will continue to vest, pursuant to schedules set forth in your equity grant notices, during the time period you continue to work as an advisor for the Company pursuant to the Advisor Agreement. In addition, if a "**Change in Control**" (as defined

in the Company's Amended and Restated Omnibus Incentive Plan) occurs during the Transition Period or the term of the Advisor Agreement, then all equity awards held by you (other than the RSUs described in Section 3 above) shall become fully vested and exercisable immediately prior to the consummation of such Change in Control. Additionally**,** in no event shall the post-termination exercise period applicable to your vested stock options be less than the later of twelve (12) months after the date of any such Change in Control, or ninety (90) days after the expiration or termination of the Advisor Agreement. The Parties agree that this section supersedes any contrary provisions in the Company's equity plans, award agreements, or other documents governing the equity awards. The Company shall take all necessary corporate action to effectuate this provision, including obtaining the Company's Board of Directors approval if required. These obligations shall be binding upon any successor or acquiring entity.

8. Continuation of Indemnification Rights. The Indemnification Agreement entered into between you and the Company as of December 17, 2018 (the "**Indemnification Agreement**"), which is attached hereto as Exhibit E and incorporated herein by reference, shall remain in full force and effect and shall apply through the remainder of your employment and the entire period during which you provide services to the Company as an advisor pursuant to the Advisor Agreement. The Parties agree that the continuation of indemnification protections set forth herein and therein is a material inducement to your agreement to transition to an advisory role and to enter into this Agreement.

9. Other Compensation or Benefits. You acknowledge that, except as expressly provided in this Agreement, you have not earned and will not receive from the Company any additional compensation (including base salary, bonus, incentive compensation, or equity), severance, or benefits before or after the Separation Date, with the exception of any vested right you may have under the express terms of a written ERISA-qualified benefit plan (e.g., 401(k) account) or any vested equity. The amounts contained herein are in full satisfaction of any and all of the Company's compensation-related obligations to you. If you breach your obligations under this Agreement, the PIIA or the Advisor Agreement, the Company has the right to terminate the Advisor Agreement and stop payment of any outstanding Severance and claw back any already paid amount.

10. Expense Reimbursements. You agree that, within thirty (30) days after the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses pursuant to its regular business practice.

11. Release of Claims.

a. General Release of Claims. In exchange for the consideration provided to you under this Agreement to which you would not otherwise be entitled, you on behalf of yourself and your heirs, executors, representatives, administrators, agents, and assigns (the "Releasors") hereby generally and completely release the Company, and its affiliated, related, parent and subsidiary entities, and its and their current and former directors, officers, employees, shareholders, partners, agents, attorneys, predecessors, successors, insurers, affiliates, and assigns (the "Released Parties") from any and all claims, liabilities, demands, causes of action, and obligations, both known and unknown, arising from or in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date you sign this Agreement.

b. Scope of Release. This general release includes, but is not limited to: (i) all claims arising from or in any way related to your employment with the Company or the termination of that employment; (ii) all claims related to your compensation or benefits from the

Company, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company; (iii) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (v) all federal, state, and local statutory or common law claims, including, without limitation, claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the California Family Rights Act and the California Labor Code.

c. Civil Code Section 1542 waiver. You also acknowledge that you have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release ad that if known by him or her, would have materially affected his or her settlement with the debtor or released party."** You hereby expressly waive and relinquish all rights and benefits under that section and any law of any other jurisdiction of similar effect with respect to any claims you may have against the Released Parties.

d. Exceptions. Notwithstanding the foregoing, you are not releasing the Company hereby from: (i) any obligation to indemnify you pursuant to the Articles and Bylaws of the Company, the Indemnification Agreement, applicable law, or applicable directors and officers liability insurance; (ii) any claims under the California Fair Employment and Housing Act and other claims that cannot be waived by law; (iii) any rights you have to file or pursue a claim for workers' compensation or unemployment insurance; or (iv) any claims that arise after the date you execute this Agreement, including (without limitation) any claims for breach of this Agreement.

e. Protected Rights and Permitted Communications. You understand that nothing in this Agreement limits your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). You further understand this Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. While this Agreement does not limit your right to receive an award for information provided to any Government Agency (including, without limitation, the right to receive an award from the Securities and Exchange Commission's whistleblower program), you understand and agree that, to the maximum extent permitted by law, you are otherwise waiving any and all rights you may have to individual relief, including monetary recovery, based on any claims that you have released and any rights you have waived by signing this Agreement. If any claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which any of the Releasors is a party. Nothing in this Agreement waives your right to testify in an administrative, legislative or judicial proceeding concerning alleged criminal conduct or alleged unlawful acts in the workplace (including, but not limited to, sexual harassment) on the part of any of the Released Parties in the event that you are required or requested to attend such a proceeding pursuant to a court order, subpoena or written request from an administrative agency or the legislature. In addition, nothing in this Agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful. Furthermore, this Agreement shall not in any way limit your right to disclose factual information

related to a claim filed in a civil action or a complaint filed in an administrative action regarding any act described in California Code of Civil Procedure Section 1001(a), including (without limitation) an act of workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting harassment or discrimination, as described in subdivisions (a), (h), (i), (j) and (k) of Section 12940 of the California Government Code. Moreover, nothing in this Agreement waives any rights you may have under Section 7 of the National Labor Relations Act to engage in protected concerted activity, including speech, or restricts you from assisting others to engage in such communications or activity or from assisting the NLRB in vindicating employee rights under the National Labor Relations Act. You further acknowledge that you are not required to obtain the Company's prior authorization before engaging in any of the protected activities and communications described in this section, nor are you required to inform the Company about such activities or communications. You understand that any such activities or communications will not be considered a breach of your obligations under this Agreement.

12. Confidential Information Obligations. As a condition to your receipt of any Severance and other benefits provided under this Agreement, you agree that the terms and conditions outlined in the PIIA, which is attached hereto as Exhibit C and incorporated herein by reference, will remain in effect and you will continue to abide by all of your obligations under the PIIA. In particular, and without limitation, you must timely execute and return to the Company the Termination Certificate Concerning Company Proprietary Information in the form set out on Exhibit B of the PIIA.

13. Non-disparagement. Except as permitted by the "**Protected Rights and Permitted Communications**" section above, you agree that following the Separation Date, you will not disparage any of the Released Parties in any manner likely to be harmful to any of their business, business reputation or personal reputation. Notwithstanding the foregoing, you may respond accurately and fully to any request for information if required by legal process or in connection with a government investigation. For purposes of this Agreement, "disparage" shall mean to make, publish or communicate any negative, belittling or derogatory statement, whether oral or written. You agree that the obligations under this section include (without limitation) refraining from publishing any disparaging remark on any blog, online social network or any other website (including, but not limited to, www.glassdoor.com), whether or not such comments are made anonymously.

14. Cooperation. You agree that during the Transition Period and after the Separation Date, you will continue to cooperate fully with the Company in connection with its actual or contemplated defense, prosecution, or investigation of any claims or demands by or against third parties, or other matters arising from events, acts, or failures to act that occurred during the period of your employment by the Company. Such cooperation includes, without limitation, making yourself available to the Company upon reasonable notice, without subpoena, to provide complete, truthful and accurate information in witness interviews, depositions, and trial testimony. The Company will reimburse you for reasonable out-of-pocket expenses you incur in connection with any such cooperation (excluding foregone wages) and will make reasonable efforts to accommodate your scheduling needs.

15. No Admissions. You understand and agree that the promises and payments in consideration of this Agreement shall not be construed to be an admission of any liability or obligation by the Company to you or to any other person, and that the Company makes no such admission.

16. Consideration Periods. To accept this Agreement, you must sign and return it to the Company within ten (10) calendar days after it is presented to you (the "**Consideration Period**"). In addition, in order for the Advisor Agreement to become effective and for you to

receive other benefits under this Agreement, you must sign and return the Separation Date Release on or within ten (10) calendar days after the Separation Date. Please do not sign the Separation Date Release before the Separation Date.

17. Other Agreements. You also acknowledge and agree that:

(a) You are entering into this Agreement knowingly, voluntarily, and with full knowledge that it shall become a binding and enforceable contract affecting your legal rights. You have not been coerced, threatened, or intimidated into signing the Agreement;

(b) You have a right to consult an attorney regarding this Agreement and have been provided with the opportunity to consult with an attorney during the 10-day Consideration Period under this Agreement;

(c) In the event that you sign this Agreement prior to the end of your 10-day Consideration Period, your decision to shorten your Consideration Period is knowing and voluntary and is not induced by the Company through fraud, misrepresentation, or a threat to withdraw or alter the offer prior to the expiration of the Consideration Period, or by offering more favorable terms for signing the Agreement prior to the expiration of the Consideration Period;

(d) You have read this Agreement in its entirety and you understand and accept the terms and conditions of the Agreement;

(e) You understand that you may hereafter discover facts different from or in addition to those you now believe to be true and that the release herein shall remain in effect as a complete and general release, notwithstanding any such different or additional facts; and

(f) You understand that this Agreement includes the compromise of any disputed claims.

18. Miscellaneous. This Agreement, including its Exhibits, constitutes the complete, final and exclusive embodiment of the entire agreement between you and the Company with regard to its subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes and replaces any other such promises, warranties or representations, including, without limitation, the Severance and Termination for Cause provisions in Sections III.B and IV.A of the Employment Agreement and Exhibit A thereto. This Agreement may not be modified or amended except in a writing signed by both you and a duly authorized officer of the Company. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question will be modified by the court so as to be rendered enforceable to the fullest extent permitted by law, consistent with the intent of the Parties. This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the State of California without regard to conflict of laws principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement shall be in writing and shall not be deemed to be a waiver of any successive breach. This Agreement may be executed in counterparts and may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

If this Agreement is acceptable to you, please sign below and return the original to me within ten (10) calendar days after the date it is presented to you, and sign and return the Separation Date Release on or within ten (10) calendar days after the Separation Date. The Company's offer contained herein will automatically expire if you do not sign and return the Agreement within the Consideration Period.

[***signature page to follow***]

Skye Bioscience, Inc.

By: */s/ Paul Grayson*

Name: Paul Grayson

Title: Chairman of Board

Date: August 11, 2026

I have read, understand and agree fully to the foregoing Agreement:

By: */s/ Punit Dhillon*

Name: Punit Dhillon

Date: August 11, 2026

Exhibit A

Executive Employment Agreement

Exhibit B

Separation Date Release

(To be signed on or within ten (10) calendar days after the Separation Date)

In consideration for the Transition Period, the RSUs, the Advisor Agreement and other benefits provided to me by Skye Bioscience, Inc. (the "**Company**") pursuant to the terms and conditions of the Separation and Release Agreement between me and the Company (the "**Agreement**"), I hereby give the following Separation Date Release (the "**Release**"). (Capitalized terms used in this Release shall be as defined in the Agreement except as otherwise defined below.)

On behalf of myself and the Releasors, I hereby generally and completely release, acquit and forever discharge the Released Parties from any and all claims, liabilities, demands, causes of action, and obligations, both known and unknown, arising from or in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date I sign this Agreement. This general release includes, but is not limited to: ((i) all claims arising from or in any way related to my employment with the Company or the termination of that employment; (ii) all claims related to my compensation or benefits from the Company, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company acquired on or before the date I sign this Release; (iii) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (v) all federal, state, and local statutory or common law claims, including, without limitation, claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the California Family Rights Act, the California Fair Employment and Housing Act and the California Labor Code. I intend for this release to be enforced to the fullest extent permitted by law.

Notwithstanding the foregoing, I am not releasing the Company hereby from: (i) any obligation to indemnify me pursuant to the Articles and Bylaws of the Company, the Indemnification Agreement, applicable law, or applicable directors and officers liability insurance; (ii) any claims that cannot be waived by law; (iii) any rights I have to file or pursue a claim for workers' compensation or unemployment insurance; or (iv) any claims that arise after the date I execute this Release, including (without limitation) any claims for breach of the Agreement. In addition, I understand that nothing in this Release prevents me from engaging in any of the Protected Rights and Permitted Communications set forth in Section 11.e of the Agreement.

I acknowledge that I have read and understand Section 1542 of the California Civil Code which reads as follows: "**A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**" I hereby expressly waive and relinquish all rights and benefits under that section and any law in California or any other jurisdiction of similar effect with respect to my release of any claims hereunder.

I hereby represent that I have: been paid all compensation owed and for all hours worked as an employee of the Company; received all leave and leave benefits and protections for which I was eligible, or otherwise; and not suffered any on-the-job injury for which I have not already filed a workers' compensation claim.

Except as permitted by the Company so that I can satisfy any obligations under the Advisor Agreement, I represent and warrant that I have returned to the Company all Company documents (and all copies thereof) and other Company property in my possession or control, including, but not limited to, Company files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, drafts, financial and operational information, research and development information, sales and marketing information, customer lists, prospect information, pipeline reports, sales reports, personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computing and electronic devices, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions or embodiments thereof in whole or in part). I further represent that I have made a diligent search to locate any such documents, property and information. If I have used any personally owned computer or other electronic device, server, or e-mail system to receive, store, review, prepare or transmit any Company confidential or proprietary data, materials or information, I represent that I have provided the Company with a computer-useable copy of such information and permanently deleted and expunged such Company confidential or proprietary information from those systems; and I agree to provide the Company access to my system as requested to verify that the necessary copying and/or deletion is completed. I further acknowledge and agree that I no longer have access to and do not claim ownership of any Company cloud storage, social media accounts, or similar accounts. My timely compliance with the provisions of this section is a condition precedent to the Advisor Agreement becoming effective and my eligibility to receive any Severance and other consideration under this Agreement. Notwithstanding the foregoing, the Company agrees that I may retain the Company-issued laptop computer currently in my possession (the "Retained Computer") as additional consideration for this Agreement, provided that I have met the Preconditions described in the Agreement and I have coordinated with Tailored Technologies ("Tailored Tech") as requested to permanently and irretrievably remove and expunge all Company data, materials, and confidential or proprietary information from the Retained Computer. I agree to provide the Company and Tailored Tech access to the Retained Computer to perform and to verify completion of such removal. Ownership of the Retained Computer shall transfer to me upon Tailored Tech's confirmation to the Company that such removal has been completed.

I understand and agree that this Separation Date Release may be pled as a full and complete defense to and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted or attempted by me in breach of this Separation Date Release.

I understand that nothing contained in this Release will constitute or be treated as an admission or evidence of any liability, wrongdoing, or violation of law by any of the Released Parties.

I also acknowledge and agree that: (a) I am entering into this Release knowingly, voluntarily, and with full knowledge that it shall become a binding and enforceable contract affecting my legal rights. I have not been coerced, threatened, or intimidated into signing this Release; (b) I have a right to consult an attorney regarding this Release and have been provided with the opportunity to consult with an attorney during the ten (10) calendar days provided to

me to consider entering into this Release (the "Consideration Period"); (c) in the event that I sign this Release prior to the end of my Consideration Period, my decision to shorten my Consideration Period is knowing and voluntary and is not induced by the Company through fraud, misrepresentation, or a threat to withdraw or alter the severance benefits offered prior to the expiration of the Consideration Period, or by offering more favorable terms for signing the Release prior to the expiration of the Consideration Period; (d) I have read this Release in its entirety and I understand and accept the terms and conditions of the Release; (e) I understand that I may hereafter discover facts different from or in addition to those I now believe to be true and that the release herein shall remain in effect as a complete and general release, notwithstanding any such different or additional facts; and (f) I understand that this Release includes the compromise of any disputed claims.

I agree that if any provision of this Release is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Release and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the Parties insofar as possible under applicable law.

I acknowledge that I must sign this Release and return it to the Company on or within ten (10) calendar days after the Separation Date, in order for it to become effective.

I have carefully read and fully understand this Release, and I agree to be bound by its terms.

(Please do not sign this Separation Date Release before the Separation Date.)

Punit Dhillon

Date

Exhibit C

Employee Proprietary Information and Inventions Agreement

Exhibit D

Advisor Agreement

Exhibit E

Indemnification Agreement

▪info@skyebioscience.com
+1 (858) 410-0266

▪ 11250 El Camino Real, Suite 100
San Diego, CA 92130



SEPARATION AND RELEASE AGREEMENT

This agreement sets forth the substance of the transition and separation agreement (the "**Agreement**") that Skye Bioscience, Inc. (the "**Company**") is offering to you, Tuan Diep, to aid in your employment transition.

1. Separation and Transition Period. Your last day of employment with the Company will be referred to as the "Separation Date." The Separation Date will be January 31, 2027, unless you resign or the Company terminates your employment prior to that date. Between now and the Separation Date (the "Transition Period"), you will perform all job duties requested by the Company, including, without limitation, serving as the Company's representative and otherwise supporting the Company in the Wendy Cunning v. Skye Bioscience matter (the "Litigation"). . You will continue to be paid your full-time base salary, and you will continue to be eligible for employee benefits during the Transition Period, subject to any terms and conditions of the applicable benefits plans. You agree that except as amended by this Agreement, the terms of your Executive Employment Agreement with the Company dated October 5, 2020 (the "Employment Agreement"), which is attached hereto as Exhibit A and is incorporated herein by reference, will continue in full force and effect throughout the Transition Period. To the extent there is any conflict between the terms of this Agreement and the Employment Agreement, the terms of this Agreement will govern.

2. Transition Bonus. Provided that you remain employed by the Company through October 31, 2026 and satisfactorily perform your job duties through that date, as determined by the Company in its sole discretion, you will earn a Transition Bonus in the amount of Twenty Thousand Dollars ($20,000), less applicable payroll deductions and tax withholding (the **"Transition Bonus"**). The Transition Bonus will be paid in a single lump sum by no later than the second regular pay date that occurs after the bonus is earned. If prior to October 31, 2026, you resign your employment for any reason or the Company terminates your employment for Cause (as defined below) or due to your death or disability as set forth in Sections IV.B and C of the Employment Agreement (**"Death or Disability"**), you will not be eligible to earn the Transition Bonus or any portion thereof. You acknowledge and agree that the Transition Bonus is provided in lieu of, and not in addition to, any other bonus or incentive compensation, and that you are not, and will not become, eligible for any annual, discretionary, or other bonus or incentive compensation under the Employment Agreement, under any Company bonus or incentive plan or program, or otherwise, for calendar year 2026 or any subsequent period, whether or not any such bonus or incentive compensation is awarded or paid to any other employee of the Company

3. Accrued Salary and Paid Time Off. On or about the Separation Date, the Company will pay you all accrued salary earned through the Separation Date, subject to standard payroll deductions and withholdings. You are entitled to this payment by law. Since you have been subject to the Company's nonaccrual vacation policy, you agree that you do not have any accrued vacation or other paid time off and thus are not owed and will not be paid out for any accrued vacation or other paid time off.

4. Severance Payment. If your employment is terminated by the Company without Cause prior to January 31, 2027, and you: (i) satisfactorily perform your job duties through the Separation Date, as determined by the Company in its sole good faith discretion, (ii) timely sign and return this Agreement to the Company and timely sign and return the Separation Date Release attached as Exhibit B to this Agreement within ten (10) calendar days after the Separation Date, and (iii) comply with all of your obligations under all agreements between you and the Company, including (without limitation) this Agreement, the Employee Proprietary Information and Inventions Agreement attached hereto as Exhibit C (the "PIIA") and the Employment Agreement (the conditions described in (i)-(iii) shall be referred to collectively as the "Preconditions"), then the Company will pay you, as severance, an amount equivalent to the base salary you otherwise would have earned, plus the amount of any health insurance benefits premiums the Company would have otherwise paid on your behalf between the Separation Date and January 31, 2027, had you continued employment through January 31, 2027 (the **"Severance"**). Any Severance will be paid subject to all applicable payroll deductions and tax withholding in equal installments on the Company's regular payroll dates after the Separation Date through January 31, 2027. The first such installment payment will be made on the next payroll date that occurs after at least five (5) business days following the date you sign and return the Separation Date Release to the Company.

a. Early Resignation. If you resign your employment prior to January 31, 2027, your compensation and benefits will immediately cease. You will receive the final pay as described in Section 3 above, but you will not be eligible to receive Severance or any other benefits pursuant to the terms of this Agreement.

b. Termination for Cause, or Due to Death or Disability. If the Company terminates your employment for Cause, or due to Death or Disability, you (or your estate or heirs) will receive the final pay as described in Section 3 above, but you will not be entitled to receive Severance or any other benefits under this Agreement. For purposes of this Agreement, "**Cause**" shall mean the occurrence of one or more of the following: (i) your failure to satisfactorily perform your job duties, or satisfactorily provide assistance with regard to the transition of your responsibilities, as determined by the Company in its good faith discretion; (ii) your conviction of any felony crime involving moral turpitude or dishonesty; (iii) your participation in any fraud against the Company; (iv) your conduct that is injurious to the Company, monetarily or otherwise; (iv) intentional damage to any property of the Company by you; or (vi) your material breach of any agreement with the Company, including (without limitation) the PIIA.

5. Health Insurance. Your Company-provided health insurance benefits coverage will end on the last day of the month in which the Separation Date occurs. To the extent provided by the California COBRA ("Cal-COBRA"), and by the Company's current group health insurance policies, you will be eligible to continue your group health insurance benefits at your own expense after that date.

6. Advisor Assistance and Continued Vesting. Provided that you do not resign early, your employment is not terminated by the Company for Cause, or due to Death or Disability, and you meet the Preconditions set forth above, the Advisor Agreement attached hereto as Exhibit D and incorporated herein by reference, if signed by you and the Company, will become effective the day after the Separation Date (the "Advisor Agreement").

7. Equity Treatment. Your equity as granted during employment will continue to vest, pursuant to schedules set forth in your equity grant notices, during the time period you continue to work as an advisor for the Company pursuant to the Advisor Agreement. In addition, if a "**Change in Control**" (as defined in the Company's Amended and Restated Omnibus Incentive Plan) occurs during the Transition Period or the term of the Advisor Agreement, then

all equity awards held by you shall become fully vested and exercisable immediately prior to the consummation of such Change in Control. Additionally**,** in no event shall the post-termination exercise period applicable to your vested stock options be less than the later of twelve (12) months after the date of any such Change in Control, or ninety (90) days after the expiration or termination of the Advisor Agreement. The Parties agree that this section supersedes any contrary provisions in the Company's equity plans, award agreements, or other documents governing the equity awards. The Company shall take all necessary corporate action to effectuate this provision, including obtaining the Company's Board of Directors approval if required. These obligations shall be binding upon any successor or acquiring entity.

8. Continuation of Indemnification Rights. The Indemnification Agreement entered into between you and the Company as of February 24, 2024 (the "Indemnification Agreement"), is hereby amended to clarify that you are the Indemnitee under the Indemnification Agreement (and that your name replaces that of Annalisa Jenkins). Except as otherwise modified by this Agreement, the terms of the Indemnification Agreement, which is attached hereto as Exhibit E and incorporated herein by reference, shall continue in full force and effect. The Parties expressly agree that the Indemnification Agreement shall remain in full force and effect and shall apply through the entire period during which you provide services to the Company as an advisor pursuant to the Advisor Agreement. The Parties agree that the continuation of indemnification protections set forth herein and therein is a material inducement to your agreement to transition to an advisory role and to enter into this Agreement.

9. Other Compensation or Benefits. You acknowledge that, except as expressly provided in this Agreement, you have not earned and will not receive from the Company any additional compensation (including base salary, bonus, incentive compensation, or equity), severance, or benefits before or after the Separation Date, with the exception of any vested right you may have under the express terms of a written ERISA-qualified benefit plan (e.g., 401(k) account) or any vested equity. The amounts contained herein are in full satisfaction of any and all of the Company's compensation-related obligations to you. If you breach your obligations under this Agreement, the PIIA or the Advisor Agreement, the Company has the right to terminate the Advisor Agreement and stop payment of any outstanding Severance and claw back any already paid amount.

10. Expense Reimbursements. You agree that, within thirty (30) days after the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses pursuant to its regular business practice.

11. Release of Claims.

a. General Release of Claims. In exchange for the consideration provided to you under this Agreement to which you would not otherwise be entitled, you on behalf of yourself and your heirs, executors, representatives, administrators, agents, and assigns (the "Releasors") hereby generally and completely release the Company, and its affiliated, related, parent and subsidiary entities, and its and their current and former directors, officers, employees, shareholders, partners, agents, attorneys, predecessors, successors, insurers, affiliates, and assigns (the "Released Parties") from any and all claims, liabilities, demands, causes of action, and obligations, both known and unknown, arising from or in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date you sign this Agreement.

b. Scope of Release. This general release includes, but is not limited to: (i) all claims arising from or in any way related to your employment with the Company or the

termination of that employment; (ii) all claims related to your compensation or benefits from the Company, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company; (iii) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (v) all federal, state, and local statutory or common law claims, including, without limitation, claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the California Family Rights Act and the California Labor Code.

c. Civil Code Section 1542 waiver. You also acknowledge that you have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release ad that if known by him or her, would have materially affected his or her settlement with the debtor or released party."** You hereby expressly waive and relinquish all rights and benefits under that section and any law of any other jurisdiction of similar effect with respect to any claims you may have against the Released Parties.

d. Exceptions. Notwithstanding the foregoing, you are not releasing the Company hereby from: (i) any obligation to indemnify you pursuant to the Articles and Bylaws of the Company, the Indemnification Agreement, applicable law, or applicable directors and officers liability insurance; (ii) any claims under the California Fair Employment and Housing Act and other claims that cannot be waived by law; (iii) any rights you have to file or pursue a claim for workers' compensation or unemployment insurance; or (iv) any claims that arise after the date you execute this Agreement, including (without limitation) any claims for breach of this Agreement.

e. Protected Rights and Permitted Communications. You understand that nothing in this Agreement limits your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission (**"Government Agencies"**). You further understand this Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. While this Agreement does not limit your right to receive an award for information provided to any Government Agency (including, without limitation, the right to receive an award from the Securities and Exchange Commission's whistleblower program), you understand and agree that, to the maximum extent permitted by law, you are otherwise waiving any and all rights you may have to individual relief, including monetary recovery, based on any claims that you have released and any rights you have waived by signing this Agreement. If any claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which any of the Releasors is a party. Nothing in this Agreement waives your right to testify in an administrative, legislative or judicial proceeding concerning alleged criminal conduct or alleged unlawful acts in the workplace (including, but not limited to, sexual harassment) on the part of any of the Released Parties in the event that you are required or requested to attend such a proceeding pursuant to a court order, subpoena or written request from an administrative agency or the legislature. In addition, nothing in this Agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful.

Furthermore, this Agreement shall not in any way limit your right to disclose factual information related to a claim filed in a civil action or a complaint filed in an administrative action regarding any act described in California Code of Civil Procedure Section 1001(a), including (without limitation) an act of workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting harassment or discrimination, as described in subdivisions (a), (h), (i), (j) and (k) of Section 12940 of the California Government Code. Moreover, nothing in this Agreement waives any rights you may have under Section 7 of the National Labor Relations Act to engage in protected concerted activity, including speech, or restricts you from assisting others to engage in such communications or activity or from assisting the NLRB in vindicating employee rights under the National Labor Relations Act. You further acknowledge that you are not required to obtain the Company's prior authorization before engaging in any of the protected activities and communications described in this section, nor are you required to inform the Company about such activities or communications. You understand that any such activities or communications will not be considered a breach of your obligations under this Agreement.

12. Confidential Information Obligations. As a condition to your receipt of any Severance and other benefits provided under this Agreement, you agree that the terms and conditions outlined in the PIIA, which is attached hereto as Exhibit C and incorporated herein by reference, will remain in effect and you will continue to abide by all of your obligations under the PIIA. In particular, and without limitation, you must timely execute and return to the Company the Termination Certificate Concerning Company Proprietary Information in the form set out on Exhibit B of the PIIA.

13. Non-disparagement. Except as permitted by the "**Protected Rights and Permitted Communications**" section above, you agree that following the Separation Date, you will not disparage any of the Released Parties in any manner likely to be harmful to any of their business, business reputation or personal reputation. Notwithstanding the foregoing, you may respond accurately and fully to any request for information if required by legal process or in connection with a government investigation. For purposes of this Agreement, "disparage" shall mean to make, publish or communicate any negative, belittling or derogatory statement, whether oral or written. You agree that the obligations under this section include (without limitation) refraining from publishing any disparaging remark on any blog, online social network or any other website (including, but not limited to, www.glassdoor.com), whether or not such comments are made anonymously.

14. Cooperation. You agree that during the Transition Period and after the Separation Date, you will continue to cooperate fully with the Company in connection with its actual or contemplated defense, prosecution, or investigation of any claims or demands by or against third parties, or other matters arising from events, acts, or failures to act that occurred during the period of your employment by the Company. Such cooperation includes, without limitation, making yourself available to the Company upon reasonable notice, without subpoena, to provide complete, truthful and accurate information in witness interviews, depositions, and trial testimony. The Company will reimburse you for reasonable out-of-pocket expenses you incur in connection with any such cooperation (excluding foregone wages) and will make reasonable efforts to accommodate your scheduling needs.

15. No Admissions. You understand and agree that the promises and payments in consideration of this Agreement shall not be construed to be an admission of any liability or obligation by the Company to you or to any other person, and that the Company makes no such admission.

16. Consideration Periods. To accept this Agreement, you must sign and return it to the Company within ten (10) calendar days after it is presented to you (the "**Consideration**

Period"). In addition, in order for the Advisor Agreement to become effective and for you to receive other benefits under this Agreement, you must sign and return the Separation Date Release on or within ten (10) calendar days after the Separation Date. Please do not sign the Separation Date Release before the Separation Date.

17. Other Agreements. You also acknowledge and agree that:

(a) You are entering into this Agreement knowingly, voluntarily, and with full knowledge that it shall become a binding and enforceable contract affecting your legal rights. You have not been coerced, threatened, or intimidated into signing the Agreement;

(b) You have a right to consult an attorney regarding this Agreement and have been provided with the opportunity to consult with an attorney during the 10-day Consideration Period under this Agreement;

(c) In the event that you sign this Agreement prior to the end of your 10-day Consideration Period, your decision to shorten your Consideration Period is knowing and voluntary and is not induced by the Company through fraud, misrepresentation, or a threat to withdraw or alter the offer prior to the expiration of the Consideration Period, or by offering more favorable terms for signing the Agreement prior to the expiration of the Consideration Period;

(d) You have read this Agreement in its entirety and you understand and accept the terms and conditions of the Agreement;

(e) You understand that you may hereafter discover facts different from or in addition to those you now believe to be true and that the release herein shall remain in effect as a complete and general release, notwithstanding any such different or additional facts; and

(f) You understand that this Agreement includes the compromise of any disputed claims.

18. Miscellaneous. This Agreement, including its Exhibits, constitutes the complete, final and exclusive embodiment of the entire agreement between you and the Company with regard to its subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations, including, without limitation, the Severance and Termination for Cause provisions in Sections III.B and IV.A of the Employment Agreement and Exhibit A thereto. This Agreement may not be modified or amended except in a writing signed by both you and a duly authorized officer of the Company. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question will be modified by the court so as to be rendered enforceable to the fullest extent permitted by law, consistent with the intent of the Parties. This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the State of California without regard to conflict of laws principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement shall be in writing and shall not be deemed to be a waiver of any successive breach. This Agreement may be executed in counterparts and may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and

shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

If this Agreement is acceptable to you, please sign below and return the original to me within ten (10) calendar days after the date it is presented to you, and sign and return the Separation Date Release on or within ten (10) calendar days after the Separation Date. The Company's offer contained herein will automatically expire if you do not sign and return the Agreement within the Consideration Period.

[***signature page to follow***]

Skye Bioscience, Inc.

By: */s/ Punit Dhillon*

Name: Punit Dhillon

Title: Chief Executive Officer

Date: August 11, 2026

I have read, understand and agree fully to the foregoing Agreement:

By: */s/ Tuan Diep*

Name: Tuan Diep

Date: August 11, 2026

Exhibit A

Executive Employment Agreement

Exhibit B

Separation Date Release

(To be signed on or within ten (10) calendar days after the Separation Date)

In consideration for the Transition Period, the Advisor Agreement and other benefits provided to me by Skye Bioscience, Inc. (the "**Company**") pursuant to the terms and conditions of the Separation and Release Agreement between me and the Company (the "**Agreement**"), I hereby give the following Separation Date Release (the "**Release**"). (Capitalized terms used in this Release shall be as defined in the Agreement except as otherwise defined below.)

On behalf of myself and the Releasors, I hereby generally and completely release, acquit and forever discharge the Released Parties from any and all claims, liabilities, demands, causes of action, and obligations, both known and unknown, arising from or in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date I sign this Agreement. This general release includes, but is not limited to: ((i) all claims arising from or in any way related to my employment with the Company or the termination of that employment; (ii) all claims related to my compensation or benefits from the Company, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company acquired on or before the date I sign this Release; (iii) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (iv) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (v) all federal, state, and local statutory or common law claims, including, without limitation, claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the California Family Rights Act, the California Fair Employment and Housing Act and the California Labor Code. I intend for this release to be enforced to the fullest extent permitted by law.

Notwithstanding the foregoing, I am not releasing the Company hereby from: (i) any obligation to indemnify me pursuant to the Articles and Bylaws of the Company, the Indemnification Agreement, applicable law, or applicable directors and officers liability insurance; (ii) any claims that cannot be waived by law; (iii) any rights I have to file or pursue a claim for workers' compensation or unemployment insurance; or (iv) any claims that arise after the date I execute this Release, including (without limitation) any claims for breach of the Agreement. In addition, I understand that nothing in this Release prevents me from engaging in any of the Protected Rights and Permitted Communications set forth in Section 11.e of the Agreement.

I acknowledge that I have read and understand Section 1542 of the California Civil Code which reads as follows: "**A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**" I hereby expressly waive and relinquish all rights and benefits under that section and any law in California or any other jurisdiction of similar effect with respect to my release of any claims hereunder.

I hereby represent that I have: been paid all compensation owed and for all hours worked as an employee of the Company; received all leave and leave benefits and protections for which I was eligible, or otherwise; and not suffered any on-the-job injury for which I have not already filed a workers' compensation claim.

Except as permitted by the Company so that I can satisfy any obligations under the Advisor Agreement, I represent and warrant that I have returned to the Company all Company documents (and all copies thereof) and other Company property in my possession or control, including, but not limited to, Company files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, drafts, financial and operational information, research and development information, sales and marketing information, customer lists, prospect information, pipeline reports, sales reports, personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computing and electronic devices, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions or embodiments thereof in whole or in part). I further represent that I have made a diligent search to locate any such documents, property and information. If I have used any personally owned computer or other electronic device, server, or e-mail system to receive, store, review, prepare or transmit any Company confidential or proprietary data, materials or information, I represent that I have provided the Company with a computer-useable copy of such information and permanently deleted and expunged such Company confidential or proprietary information from those systems; and I agree to provide the Company access to my system as requested to verify that the necessary copying and/or deletion is completed. I further acknowledge and agree that I no longer have access to and do not claim ownership of any Company cloud storage, social media accounts, or similar accounts. My timely compliance with the provisions of this section is a condition precedent to the Advisor Agreement becoming effective and my eligibility to receive any Severance and other consideration under this Agreement. Notwithstanding the foregoing, the Company agrees that I may retain the Company-issued laptop computer currently in my possession (the "Retained Computer") as additional consideration for this Agreement, provided that I have met the Preconditions described in the Agreement and I have coordinated with Tailored Technologies ("Tailored Tech") as requested to permanently and irretrievably remove and expunge all Company data, materials, and confidential or proprietary information from the Retained Computer. I agree to provide the Company and Tailored Tech access to the Retained Computer to perform and to verify completion of such removal. Ownership of the Retained Computer shall transfer to me upon Tailored Tech's confirmation to the Company that such removal has been completed.

I understand and agree that this Separation Date Release may be pled as a full and complete defense to and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted or attempted by me in breach of this Separation Date Release.

I understand that nothing contained in this Release will constitute or be treated as an admission or evidence of any liability, wrongdoing, or violation of law by any of the Released Parties.

I also acknowledge and agree that: (a) I am entering into this Release knowingly, voluntarily, and with full knowledge that it shall become a binding and enforceable contract affecting my legal rights. I have not been coerced, threatened, or intimidated into signing this Release; (b) I have a right to consult an attorney regarding this Release and have been provided with the opportunity to consult with an attorney during the ten (10) calendar days provided to me to consider entering into this Release (the "Consideration Period"); (c) in the event that I sign this Release prior to the end of my Consideration Period, my decision to shorten my

Consideration Period is knowing and voluntary and is not induced by the Company through fraud, misrepresentation, or a threat to withdraw or alter the severance benefits offered prior to the expiration of the Consideration Period, or by offering more favorable terms for signing the Release prior to the expiration of the Consideration Period; (d) I have read this Release in its entirety and I understand and accept the terms and conditions of the Release; (e) I understand that I may hereafter discover facts different from or in addition to those I now believe to be true and that the release herein shall remain in effect as a complete and general release, notwithstanding any such different or additional facts; and (f) I understand that this Release includes the compromise of any disputed claims.

I agree that if any provision of this Release is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Release and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the Parties insofar as possible under applicable law.

I acknowledge that I must sign this Release and return it to the Company on or within ten (10) calendar days after the Separation Date, in order for it to become effective.

I have carefully read and fully understand this Release, and I agree to be bound by its terms.

(Please do not sign this Separation Date Release before the Separation Date.)

Tuan Diep

Date

Exhibit C

Employee Proprietary Information and Inventions Agreement

Exhibit D

Advisor Agreement

Exhibit E

Indemnification Agreement

ADVISOR AGREEMENT

This Advisor Agreement (the "**Agreement**") is entered into between Skye Bioscience, Inc., a Nevada corporation (the "**Company**"), and Punit Dhillon, an individual ("**Advisor**"), pursuant to the terms of the Separation and Release Agreement between Advisor and the Company (the "**Separation Agreement**"). (The parties agree that capitalized terms used in this Agreement shall be as defined in the Separation Agreement except as otherwise defined below.) The parties hereby further agree as follows:

1. Effective Date and Preconditions. This Agreement shall be effective as of the day after the Separation Date (the "**Effective Date**"), provided that Advisor doesn't resign during the Transition Period and Advisor's employment isn't terminated by the Company for Cause, or due to Death or Disability, and subject to and conditioned upon the Preconditions set forth in Section 4 of the Separation Agreement being met. If Advisor resigns his employment with the Company during the Transition Period, his employment is terminated by the Company for Cause, or due to Death or Disability, or he does not meet all of the Preconditions, this Advisor Agreement shall have no force or effect.

2. Engagement for Services. As of the Effective Date, the Company engages Advisor to perform the services and provide any deliverables described on Exhibit A (the "**Services**") in accordance with the terms and conditions of this Agreement. If any services, tasks, deliverables or other acts not specifically described in this Agreement (including in Exhibit A) are required for or incidental or inherent to the proper performance and provision of the Services, they shall be deemed to be included within the scope of Services as if specifically described in this Agreement. Advisor accepts such engagement, and agrees to perform the Services and otherwise act in accordance with the terms hereof, all applicable Company policies and procedures, all applicable laws and regulations, and prevailing industry standards. Except as otherwise provided herein, the Company will not control the manner or means by which Advisor, or, if applicable, any of Advisor's employees or contractors, performs the Services.

3. Compensation; Expenses.

3.1 Subject to Advisor's proper performance of the Services in accordance with this Agreement, the Company will pay Advisor the fees set forth in Exhibit A and, if applicable, reimburse Advisor's reasonable pre-approved expenses, in accordance with the payment schedule and other terms described on Exhibit A.

3.2 The parties hereto acknowledge and agree that the arrangement contemplated hereunder was negotiated at arm's length and that the compensation paid to Advisor hereunder is based upon Advisor's effective fair market value for the Services based on Advisor's professional experience and qualifications, shall be consistent with fair market value, and shall not be determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the parties for which payment may be made in whole or in part under a state or federal healthcare program

3.3 The compensation due in respect of the Services provided in each calendar month shall be payable subject to the receipt by the Company of (a) a valid invoice in respect of such Services and (b) a report, in form acceptable to the Company, detailing the dates of the applicable month in which Services were provided, the amount of hours of Services provided on each such date, and the nature of such Services. Submission of or confirmation of this documentation to the Company signifies Advisor's agreement that the amounts are true and accurate and will be reported by the Company consistent with state and federal laws, including but not limited to the Federal Physician Payment Sunshine Act.

3.4 The Company will not pay, and Advisor will not receive, any compensation for any Company products or services that are sold as a result of Advisor's use or referral. No part of this Agreement will be construed to induce, encourage, solicit, or reimburse the referral by Advisor to the Company of any patients or business, including any patients or business funded in whole or part by any federal or state healthcare program. The parties acknowledge that there is no requirement under this Agreement, or any other agreement between the parties, that Advisor must refer any patients to the Company or any of its affiliates. The parties also warrant that no payment made under this Agreement

will be in return for the referral of patients or business, including those paid in whole or in part by a federal or state healthcare program.

4. Place of Work. Advisor is free to perform the Services at a location of Advisor's choosing unless otherwise mutually agreed. Services must be performed in compliance with the Company's established protocols and security requirements.

5. Disclosure and Assignment of Work Product.

5.1 Work Product. "**Work Product**" means all deliverables, discoveries, inventions, creations, designs, processes, techniques, methods, formulae, developments, improvements, works of authorship, research, writings, proposals, results, information, data, know-how, ideas, concepts, and other technology, materials or other work product of any nature (in each case, whether or not protectable under patent, copyright, trademark, trade secret or other intellectual property laws) conceived, created, generated, produced, made, modified, derived, developed or reduced to practice, whether directly or indirectly or solely or jointly with others, on or after the Effective Date of this Agreement, (a) in connection with the performance of the Services or other work performed in connection with this Agreement or (b) based on or using any Confidential Information (as defined below).

5.2 Disclosure and Assignment of Work Product. Advisor will promptly disclose to the Company all Work Product and maintain detailed and current records thereof. Advisor will, and hereby does, irrevocably assign to the Company all of Advisor's right, title, and interest throughout the world in and to all Work Product, including all associated records and patent rights, copyrights, trade secret rights, trademark rights (together with any goodwill associated therewith), and other intellectual property rights of any sort throughout the world therein and thereto. Advisor retains no rights to use the Work Product except as expressly set forth herein. The foregoing assignment includes all benefits, privileges, powers, rights, and remedies under, pursuant to, or related to the Work Product and any intellectual property rights therein and thereto, including all rights to apply for, file, register, maintain, extend or renew such intellectual property rights, all rights to assign, transfer, and grant licenses and other rights with respect to Work Product, and all rights to enforce, and bring actions for all past, present, and future infringements, misappropriations, or other violations of such intellectual property rights and to settle, and collect and retain the proceeds from, any such actions.

5.3 Further Assistance. During and after the term of this Agreement, Advisor will perform all acts that the Company requests to obtain, perfect and enforce the full benefits, enjoyment, and all right, title, and interest in and to the Work Product, including all intellectual property rights therein and thereto, including disclosure of all related information and execution of all applications, specifications, oaths, assignments, and other documents that the Company deems necessary. The Company will reimburse Advisor for reasonable, pre-approved expenses incurred in connection with the foregoing. If the Company is unable for any reason to secure Advisor's signature to any such document or Advisor's performance of any such act, Advisor hereby irrevocably designates and appoints the Company as Advisor's agent and attorney-in-fact to act for and on Advisor's behalf and to execute and file any such documents and to unilaterally take any such other action.

5.4 License. If any right, title, or interest in and to any Work Product, including any intellectual property rights therein and thereto, cannot be assigned by Advisor to the Company, Advisor hereby unconditionally and irrevocably grants to the Company an exclusive (including as to Advisor), royalty-free, transferable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import, and otherwise use and exploit (and have others exercise such rights on behalf of the Company) all or any portion of such non-assignable right, title, and interest in and to such Work Product. Advisor further irrevocably waives in favor the Company, and agrees not to assert against the Company, any "moral" rights or other claims or rights with respect to attribution of authorship, integrity, disclosure and withdrawal of such Work Product.

5.5 Out-of-Scope Innovations. Except with the Company's express prior written consent in each case, Advisor will not incorporate into any Work Product, disclose to the Company, bring onto the Company's premises, or induce the Company to use any confidential or proprietary information,

technology, or intellectual property conceived, created, generated, made, derived, developed or reduced to practice (a) by Advisor prior to or independently of Advisor's performance of the Services, or (b) by any third party (collectively, the "**Out-of-Scope Innovations**"). If Advisor incorporates into any Work Product any Out-of-Scope Innovations, Advisor hereby grants to the Company a non-exclusive, royalty-free, transferable, irrevocable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import, and otherwise use and exploit (and have others exercise such rights on behalf of the Company) all or any portion of such incorporated Out-of-Scope Innovations. Advisor further waives, and agrees not to assert against the Company, any "moral" rights or other rights with respect to attribution of authorship or integrity of such Out-of-Scope Innovations. In addition, Advisor shall not (i) use any of the physical resources of any university or other institution (the "**Institution**") in connection with Advisor's engagement under this Agreement, including funds owned or managed by any Institution, personnel of any Institution, laboratories, facilities, equipment and all other resources of any Institution, (ii) participate or take part in, or use in connection with Advisor's engagement under this Agreement, any work or any research carried on at, or by, any Institution or conducted under the academic guidance or assistance of any of such Institution's employees, academic personnel or students, including any research funded by a third party which such Institution entered into an agreement with, or any other material assistance whatsoever at such Institution, or (iii) otherwise take any action that may result in any Work Product being considered owned, in whole or in part, by any Institution or other third party.

5.6 Confidentiality and Assignment Agreements. To the extent applicable, Advisor shall require each of its employees and contractors to execute written agreements containing obligations of confidentiality and non-use and assignment of Work Product and associated intellectual property rights consistent with the provisions of this Section 5 and Section 6 hereof prior to such employee or contractor providing any Services under this Agreement.

6. Confidentiality.

6.1 Confidential Information. "**Confidential Information**" means (a) any and all data, ideas and information (and all tangible and intangible embodiments thereof), whether or not marked or identified as confidential or proprietary, of any type whatsoever, whether in writing, or in oral, graphic, electronic or any other form, that is disclosed to, or accessed or obtained by, Advisor hereunder and relates to the Company, the Company's current or potential technology, intellectual property, contracts, business relationships, products, product candidates, employees, business, assets, finances, operations or opportunities, or the Services, including information of third parties to which the Company owes a duty of confidentiality, (b) all Work Product and all associated records, and (c) the terms and conditions of this Agreement. Notwithstanding the foregoing, Confidential Information does not include information that (i) is or becomes publicly known through lawful means and not as a result of any act or omission of Advisor; (ii) was rightfully known by Advisor without any confidentiality obligations before receipt from the Company, as evidenced by Advisor's contemporaneous written records; or (iii) is disclosed to Advisor without restriction by a third party who rightfully possesses the information and does not owe a duty of confidentiality to the Company with respect to thereto.

6.2 Nondisclosure and Nonuse. Except as permitted in this Section 6, Advisor will maintain in confidence and not, directly or indirectly, use, disseminate or in any way disclose the Confidential Information to any third party, other than the Company. Advisor may use the Confidential Information solely to perform the Services for the sole and exclusive benefit of the Company, and for no other purpose. Advisor will treat all Confidential Information with the same degree of care as Advisor accords to Advisor's own confidential information, but in no case will Advisor use less than reasonable care. Advisor will promptly give notice to the Company of any unauthorized use or disclosure of the Confidential Information and will assist the Company in remedying any such unauthorized use or disclosure. The Company's Confidential Information, until made public, may constitute material non-public information within the meaning of Regulation FD promulgated by the Securities and Exchange Commission. Recipient hereby acknowledges that it and its Representatives are aware that the U.S. securities laws would prohibit any person who has material non-public information about a company from purchasing or selling, directly or indirectly, securities of such company (including entering into hedge transactions involving such securities), or from communicating such information to any other person

under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. Recipient agrees that it will not use or permit any third party to use, and that Recipient will use its reasonable best efforts to assure that none of its Representative's will use or permit any third party to use, any of the Company's Confidential Information that is provided to Recipient in contravention of the U.S. securities laws.

6.3 Permitted Disclosure. Advisor's nondisclosure obligations under Section 6.2 do not apply to the extent that Advisor is required to disclose information by applicable law, regulation or order of a governmental agency or a court of competent jurisdiction; provided, however, that Advisor will provide advance written notice thereof to the Company, consult with the Company with respect to such disclosure, provide the Company sufficient opportunity to object to any such disclosure or to request confidential treatment and reasonably cooperate with the Company in connection therewith, and disclose the minimum amount of information needed to comply with such requirement.

6.4 Ownership and Return of Confidential Information. All Confidential Information and any materials (including documents, notebooks, drawings, papers, records, and lists) relating thereto or furnished by the Company to Advisor hereunder, and any copies or derivatives thereof, and all intellectual property rights therein, are and will remain the sole and exclusive property of the Company ("**Company Property**"). Advisor has no right or license to reproduce or use any Company Property except solely during the term of this Agreement to the extent necessary to perform Advisor's obligations under this Agreement. All other rights in and to the Company Property are expressly reserved by the Company. Advisor has no right or license to use the Company's trademarks, service marks, trade names, logos, symbols or brand names. Promptly upon the Company's request, Advisor will destroy or deliver to the Company, at the Company's option, all of the foregoing in Advisor's possession.

6.5 Privacy and Data Security.

(a) To the extent Advisor will access, use, disclose, maintain, or otherwise receive ("**Process**") any protected health information ("**PHI**"), as such word is defined by the Health Insurance Portability and Accountability Act of 1996, as amended, including implementing regulations ("**HIPAA**"), the parties agree that they will enter into a separate business associate agreement to comply with HIPAA ("**Business Associate Agreement**"), which is hereby incorporated by reference. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that, effective and contingent upon the entrance into such Business Associate Agreement, PHI shall not be considered to be Confidential Information, and use and disclosure thereof shall be governed by the applicable Business Associate Agreement.

(b) To the extent Advisor will Process any other information that identifies, directly or indirectly, an individual or relates to an identifiable individual and is not otherwise PHI ("**Personal Information**"), the parties agree that they will enter into a separate data processing agreement that complies with applicable law governing such Personal Information, which is hereby incorporated by reference. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that, effective and contingent upon the entrance into such data processing agreement, Personal Information shall not be considered to be Confidential Information, and use and disclosure thereof shall be governed by the applicable data processing agreement.

7. Independent Contractor Relationship.

7.1 Independent Contractor Status. Advisor's relationship with the Company is that of an independent contractor, and nothing in this Agreement is intended to, or will be construed to, create a partnership, agency, joint venture, employment or similar relationship. As such, Advisor and, if applicable, any employee of Advisor, (a) will not be entitled to any benefits accorded to the Company's employees, including workers' compensation, disability insurance, retirement plans, or vacation or sick pay, and (b) hereby waives any right to participate in any benefits programs maintained by the Company. Advisor's exclusion from such programs is a material component of the terms of compensation negotiated by the parties, and is not premised on Advisor's status as a non-employee with respect to the Company. Advisor's waiver is not conditioned on any representation or assumption concerning Advisor's status under the common law test. Consistent with Advisor's independent contractor status hereunder, Advisor

will not apply for any government-sponsored benefits that are intended to apply to employees, including unemployment benefits. Advisor is not authorized to make any representation, contract or commitment on behalf of the Company unless specifically requested or authorized in writing to do so by the Company. The Company has engaged the Advisor on a non-exclusive basis, and the Advisor is not obligated to provide Services to the Company unless the Advisor first confirms the Advisor's availability for any Services.

7.2 Taxes; Insurance; Permits. Advisor is solely responsible for, and will file, on a timely basis, all tax returns and payments required to be filed with, or made to, any federal, state or local tax authority with respect to the performance of Services and receipt of fees under this Agreement. Advisor is solely responsible for, and must maintain adequate records of, expenses incurred in the course of performing Services. No part of Advisor's compensation will be subject to withholding by the Company for the payment of any social security, federal, state or any other employee payroll taxes. Advisor will be responsible for obtaining, at Advisor's expense and in Advisor's name, any insurance, licenses and permits usual or necessary for performing the Services.

8. Other Services; No Conflict of Interest; Publicity. Advisor may represent and perform services for other persons or companies as Advisor sees fit, except to the extent that doing so causes Advisor to breach Advisor's obligations hereunder. Advisor represents and warrants that, except as disclosed to the Company, Advisor does not presently perform services for, and is not employed by, any companies whose businesses or proposed businesses involves products or services that would be competitive with the Company's current or planned products or services. If Advisor decides to perform services for any such company, Advisor will notify the Company in writing and provide any information reasonably requested by the Company to allow the Company to determine if such work would conflict with the terms of this Agreement or the interests of the Company. The Advisor acknowledges and agrees that, during the term of this engagement, their role is strictly confidential and internal-facing. Except as required by applicable law, Advisor shall not disclose, represent, or imply any formal or informal association with the Company to any third party, unless expressly authorized in writing by the Company.

9. Advisor's Representations and Warranties; Indemnification.

9.1 Advisor's Representations and Warranties. Advisor represents and warrants to the Company that (a) Advisor has all necessary power, capacity and authority to enter into and perform this Agreement, (b) the execution and performance of this Agreement by Advisor does not conflict with or constitute a breach of any other agreement to which Advisor is bound, or any obligation or duty owed by Advisor to any third party, and will not result in a violation of applicable laws, (c) Advisor has the requisite licenses, permits, qualifications and ability to perform the Services in accordance with the terms of this Agreement, without the advice, control, or supervision of the Company, (d) Advisor has good title to any Work Product and the right to assign Work Product to the Company free of any proprietary rights of any other party or any other encumbrance whatsoever, (e) to Advisor's knowledge, neither the Work Product nor any element thereof will infringe upon or misappropriate any intellectual property or proprietary right of any person or entity and (f) if applicable, each of Advisor's employees and subcontractors involved in the performance of the Services hereunder has agreed or will have agreed to be bound by terms and conditions at least as protective of Work Product and other Confidential Information as those herein. Advisor further represents and warrants that Advisor (i) is self-employed in an independently established trade, occupation, or business; (ii) holds Advisor out to the public as independently competent and available to provide applicable services similar to the Services; (iii) has obtained or expects to obtain clients or customers other than the Company for whom Advisor performs services; and (iv) will perform work for the Company that Advisor understands is outside the usual course of the Company's business. Advisor further represents and warrants that Advisor has never been debarred, excluded, or suspended from or otherwise ineligible to participate in any federal or state healthcare program, including Medicare or Medicaid, and is not is not currently debarred by the United States Food and Drug Administration, or other applicable governing health authority, under any existing or prior law or regulation and will promptly inform the Company if Advisor becomes debarred during the term of this Agreement.

9.2 Indemnification. Advisor shall indemnify and hold harmless the Company from any third-party claim to the extent finally determined by a court of competent jurisdiction to have arisen

directly from Advisor's gross negligence, willful misconduct, or fraud in the performance of services under this Agreement. Advisor shall not be obligated to indemnify the Company for ordinary negligence, good faith errors in judgment, reliance on Company-provided information, or actions taken at the direction of the Company or its officers or directors. In no event shall Advisor be liable for consequential, punitive, or special damages. The Parties acknowledge that Advisor and the Company are parties to a separate Indemnification Agreement attached to the Separation Agreement as Exhibit E (the "**Indemnification Agreement**"). The Parties expressly agree that the Indemnification Agreement shall remain in full force and effect and shall apply to the services provided to the Company pursuant to the Advisor Agreement. Nothing in this Agreement shall limit, impair, or supersede Advisor's rights under the Indemnification Agreement, the Company's organizational documents, applicable law, or any applicable insurance policies. To the extent of any inconsistency, the Indemnification Agreement shall control.

10. Term and Termination.

10.1 Term. This Agreement is effective as of the Effective Date set forth above and will continue until the later of twelve (12) months after the date of any Change in Control occurs (as defined in the Company's Amended and Restated Omnibus Incentive Plan) or July 31, 2027 (the "**Term**"). Notwithstanding the foregoing, Advisor may terminate this Agreement immediately and in its sole discretion at any time. Notwithstanding the termination of this Agreement, Company shall remain obligated to pay for all Services performed and to reimburse Advisor for all expenses incurred prior to such termination as provided for in this Agreement.

10.2 Early Termination. Either the Company or Advisor may terminate the Agreement immediately in the event that the other party has materially breached the Agreement. This Agreement will terminate automatically upon the occurrence of (a) the appointment of a receiver, liquidator, or trustee for either party by decree of competent authority in connection with any adjudication or determination by such authority that either party is bankrupt or insolvent, (b) the filing by either party of a petition in voluntary bankruptcy, the making of an assignment for the benefit of its creditors, or the entering into of a composition with its creditors or (c) the Death (if applicable) or dissolution (if applicable) of either party.

10.3 Effect of Expiration or Termination. If the Agreement is terminated in the absence of a material breach by Advisor, the Company will pay Advisor for Services performed hereunder prior to such expiration or termination. The provisions of Sections 5, 6, 9, 10.3 and 11 will survive any termination or expiration of this Agreement.

11. Miscellaneous.

11.1 Successors and Assigns. Advisor acknowledges that Advisor's performance hereunder is personal, and Advisor may not subcontract or otherwise assign, transfer or delegate any of Advisor's rights or obligations under this Agreement without the Company's prior written consent. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties and their respective heirs, successors, and permitted assigns, and will not benefit any person or entity other than the foregoing. The Company may assign, delegate and transfer this Agreement or any of its rights or obligations hereunder to any third party in whole or in part.

11.2 Amendments; Waivers. This Agreement will not be altered, modified, changed or in any way amended except by an instrument in writing executed by Advisor and a duly authorized representative of the Company. No waiver by a party of a breach of or obligation under this Agreement will constitute a waiver of any other or subsequent breach or obligation.

11.3 Governing Law; Forum. This Agreement will be governed by, interpreted, and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof. The parties hereby irrevocably consent to the jurisdiction of the courts located within the geographical boundaries of the United States District Court for the Southern District of California with respect to any action or proceeding arising out of or relating to this Agreement, submit to personal jurisdiction in such court and waive any objection to venue in any such court.

11.4 Notices. All notices, requests, waivers, and other communications made pursuant to this Agreement will be in writing and will be sent by personal hand delivery, express overnight delivery, or electronic mail, and addressed to the addresses set forth below such party's signature hereto (or subsequently provided to the other party in accordance with this section). All such notices, requests, waivers, and other communications are deemed given: (a) on the date on which so hand-delivered, (b) one (1) business day after deposit for delivery with a nationally recognized express overnight delivery service and (c) when sent by electronic mail if sent between 8:00 am and 5:00 pm local time for the recipient on a business day or otherwise on the next business day.

11.5 18 U.S.C. § 1833(b) Notice. The Company hereby provides the following notice pursuant to 18 U.S.C. § 1833(b), and Advisor acknowledges and understands that 18 U.S.C. § 1833(b), provides the following immunities to Advisor (notwithstanding anything to the contrary herein): An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

11.6 Further Assurances. The Company and Advisor will, without further consideration, make, do, execute, or cause to be made, done, and executed such further acts, deeds, conveyances, consents, and assurances which may reasonably be required to effect the transactions contemplated by this Agreement.

11.7 Enforceability; Severability. Each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law. If one or more provisions of this Agreement are held to be unenforceable under applicable law, (a) such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement, and (b) the balance of the Agreement will be interpreted as if such provision were so modified and will be enforceable in accordance with its terms.

11.8 Acknowledgement; Interpretation. The parties acknowledge that they have each had the opportunity to consult with independent counsel of their own choice concerning this Agreement and have done so to the extent they deem necessary, have read and understand the Agreement, are fully aware of its legal effect, and have entered into it voluntarily and freely based on their own judgment. This Agreement will be construed as a whole, according to its fair meaning, and not in favor of or against any party. The word "including" and its derivatives are deemed to be followed by the words "without limitation". Headings are used for reference purposes only and should be ignored in the interpretation of this Agreement.

11.9 Entire Agreement. This Agreement (including any Exhibits) constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior or contemporaneous representations, warranties or agreements concerning such subject matter, written or oral.

11.10 Counterparts; Signatures. This Agreement may be executed and delivered in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Any signature page delivered by facsimile, e-mail or other transmission method (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) will be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto.

[Signatures Follow on Ensuing Page(s)]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

Skye Bioscience, Inc.

By: _____
Name: _____
Title: _____

Address: 11250 El Camino Real, Suite 100
San Diego, CA 92130
Attn: Chief Executive Officer _____
Email: _____

With a copy to:

Address: 11250 El Camino Real, Suite 100
San Diego, CA 92130
Attn: Legal

Email: contracts@skyebioscience.com

ADVISOR:

_____
Punit Dhillon

By: _____
Name: _____
Title: _____

Address: _____
_____

Email: _____

EXHIBIT A

SERVICES AND COMPENSATION

Description of Services:

Advisor shall provide such advisory Services as reasonably requested by the Company from time to time, including, without limitation, services related to transitioning Advisor's prior role and other services mutually agreed upon by the Company and Advisor. Advisor agrees to cooperate and work constructively with the Company's executive team in performing Services and following the Company's reasonable directives.

Advisor shall only perform Services in response to specific written request by the Company and shall not spend more than 10 hours per month performing Advisor's obligations to the Company pursuant to this Agreement without advance written consent of the Company.

Compensation and Payment Terms:

Advisor will submit invoices and reports for Services performed on a monthly basis as set forth in Section 3 of the Agreement. Advisor will invoice the Company for fees and costs incurred for Services on a monthly basis, and such invoices are due and payable by the Company within thirty (30) calendar days of the receipt of each invoice.

The Company will pay Advisor based on a rate per hour of $350.00 within thirty (30) calendar days after Advisor's submission of an invoice and report that meets the requirements of Section 3 of the Agreement.

Expenses:

Advisor will not be authorized to incur on behalf of the Company any expenses and will be responsible for all expenses incurred while performing the Services unless otherwise agreed to in advance by the Company's Chief Executive Officer in writing ("**Approved Expenses**"). If the Advisor is required to travel, the Company shall reimburse the Advisor for all Approved Expenses, including transportation expenses and travel time, incurred in connection with the performance of the Advisor's Services, provided such expenses are within the budget approved in writing by the Company. The Company will reimburse Approved Expenses in accordance with the Company's then effective applicable expense reimbursement polices no later than thirty (30) days after the Company's receipt of Advisor's invoice, provided that reimbursement for Approved Expenses may be delayed until such time as Advisor has furnished reasonable documentation for Approved Expenses as the Company may reasonably request. Advisor will submit to the Company all statements for Approved Expenses incurred on a monthly basis in a form prescribed by the Company.

ADVISOR AGREEMENT

This Advisor Agreement (the "**Agreement**") is entered into between Skye Bioscience, Inc., a Nevada corporation (the "**Company**"), and Tuan Diep, an individual ("**Advisor**"), pursuant to the terms of the Separation and Release Agreement between Advisor and the Company (the "**Separation Agreement**"). (The parties agree that capitalized terms used in this Agreement shall be as defined in the Separation Agreement except as otherwise defined below.) The parties hereby further agree as follows:

1. Effective Date and Preconditions. This Agreement shall be effective as of the day after the Separation Date (the "**Effective Date**"), provided that Advisor doesn't resign during the Transition Period and Advisor's employment isn't terminated by the Company for Cause, or due to Death or Disability, and subject to and conditioned upon the Preconditions set forth in Section 4 of the Separation Agreement being met. If Advisor resigns his employment with the Company during the Transition Period, his employment is terminated by the Company for Cause, or due to Death or Disability, or he does not meet all of the Preconditions, this Advisor Agreement shall have no force or effect.

2. Engagement for Services. As of the Effective Date, the Company engages Advisor to perform the services and provide any deliverables described on Exhibit A (the "**Services**") in accordance with the terms and conditions of this Agreement. If any services, tasks, deliverables or other acts not specifically described in this Agreement (including in Exhibit A) are required for or incidental or inherent to the proper performance and provision of the Services, they shall be deemed to be included within the scope of Services as if specifically described in this Agreement. Advisor accepts such engagement, and agrees to perform the Services and otherwise act in accordance with the terms hereof, all applicable Company policies and procedures, all applicable laws and regulations, and prevailing industry standards. Except as otherwise provided herein, the Company will not control the manner or means by which Advisor, or, if applicable, any of Advisor's employees or contractors, performs the Services.

3. Compensation; Expenses.

3.1 Subject to Advisor's proper performance of the Services in accordance with this Agreement, the Company will pay Advisor the fees set forth in Exhibit A and, if applicable, reimburse Advisor's reasonable pre-approved expenses, in accordance with the payment schedule and other terms described on Exhibit A.

3.2 The parties hereto acknowledge and agree that the arrangement contemplated hereunder was negotiated at arm's length and that the compensation paid to Advisor hereunder is based upon Advisor's effective fair market value for the Services based on Advisor's professional experience and qualifications, shall be consistent with fair market value, and shall not be determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the parties for which payment may be made in whole or in part under a state or federal healthcare program

3.3 The compensation due in respect of the Services provided in each calendar month shall be payable subject to the receipt by the Company of (a) a valid invoice in respect of such Services and (b) a report, in form acceptable to the Company, detailing the dates of the applicable month in which Services were provided, the amount of hours of Services provided on each such date, and the nature of such Services. Submission of or confirmation of this documentation to the Company signifies Advisor's agreement that the amounts are true and accurate and will be reported by the Company consistent with state and federal laws, including but not limited to the Federal Physician Payment Sunshine Act.

3.4 The Company will not pay, and Advisor will not receive, any compensation for any Company products or services that are sold as a result of Advisor's use or referral. No part of this Agreement will be construed to induce, encourage, solicit, or reimburse the referral by Advisor to the Company of any patients or business, including any patients or business funded in whole or part by any federal or state healthcare program. The parties acknowledge that there is no requirement under this Agreement, or any other agreement between the parties, that Advisor must refer any patients to the Company or any of its affiliates. The parties also warrant that no payment made under this Agreement

will be in return for the referral of patients or business, including those paid in whole or in part by a federal or state healthcare program.

4. Place of Work. Advisor is free to perform the Services at a location of Advisor's choosing unless otherwise mutually agreed. Services must be performed in compliance with the Company's established protocols and security requirements.

5. Disclosure and Assignment of Work Product.

5.1 Work Product. "**Work Product**" means all deliverables, discoveries, inventions, creations, designs, processes, techniques, methods, formulae, developments, improvements, works of authorship, research, writings, proposals, results, information, data, know-how, ideas, concepts, and other technology, materials or other work product of any nature (in each case, whether or not protectable under patent, copyright, trademark, trade secret or other intellectual property laws) conceived, created, generated, produced, made, modified, derived, developed or reduced to practice, whether directly or indirectly or solely or jointly with others, on or after the Effective Date of this Agreement, (a) in connection with the performance of the Services or other work performed in connection with this Agreement or (b) based on or using any Confidential Information (as defined below).

5.2 Disclosure and Assignment of Work Product. Advisor will promptly disclose to the Company all Work Product and maintain detailed and current records thereof. Advisor will, and hereby does, irrevocably assign to the Company all of Advisor's right, title, and interest throughout the world in and to all Work Product, including all associated records and patent rights, copyrights, trade secret rights, trademark rights (together with any goodwill associated therewith), and other intellectual property rights of any sort throughout the world therein and thereto. Advisor retains no rights to use the Work Product except as expressly set forth herein. The foregoing assignment includes all benefits, privileges, powers, rights, and remedies under, pursuant to, or related to the Work Product and any intellectual property rights therein and thereto, including all rights to apply for, file, register, maintain, extend or renew such intellectual property rights, all rights to assign, transfer, and grant licenses and other rights with respect to Work Product, and all rights to enforce, and bring actions for all past, present, and future infringements, misappropriations, or other violations of such intellectual property rights and to settle, and collect and retain the proceeds from, any such actions.

5.3 Further Assistance. During and after the term of this Agreement, Advisor will perform all acts that the Company requests to obtain, perfect and enforce the full benefits, enjoyment, and all right, title, and interest in and to the Work Product, including all intellectual property rights therein and thereto, including disclosure of all related information and execution of all applications, specifications, oaths, assignments, and other documents that the Company deems necessary. The Company will reimburse Advisor for reasonable, pre-approved expenses incurred in connection with the foregoing. If the Company is unable for any reason to secure Advisor's signature to any such document or Advisor's performance of any such act, Advisor hereby irrevocably designates and appoints the Company as Advisor's agent and attorney-in-fact to act for and on Advisor's behalf and to execute and file any such documents and to unilaterally take any such other action.

5.4 License. If any right, title, or interest in and to any Work Product, including any intellectual property rights therein and thereto, cannot be assigned by Advisor to the Company, Advisor hereby unconditionally and irrevocably grants to the Company an exclusive (including as to Advisor), royalty-free, transferable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import, and otherwise use and exploit (and have others exercise such rights on behalf of the Company) all or any portion of such non-assignable right, title, and interest in and to such Work Product. Advisor further irrevocably waives in favor the Company, and agrees not to assert against the Company, any "moral" rights or other claims or rights with respect to attribution of authorship, integrity, disclosure and withdrawal of such Work Product.

5.5 Out-of-Scope Innovations. Except with the Company's express prior written consent in each case, Advisor will not incorporate into any Work Product, disclose to the Company, bring onto the Company's premises, or induce the Company to use any confidential or proprietary information,

technology, or intellectual property conceived, created, generated, made, derived, developed or reduced to practice (a) by Advisor prior to or independently of Advisor's performance of the Services, or (b) by any third party (collectively, the "**Out-of-Scope Innovations**"). If Advisor incorporates into any Work Product any Out-of-Scope Innovations, Advisor hereby grants to the Company a non-exclusive, royalty-free, transferable, irrevocable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import, and otherwise use and exploit (and have others exercise such rights on behalf of the Company) all or any portion of such incorporated Out-of-Scope Innovations. Advisor further waives, and agrees not to assert against the Company, any "moral" rights or other rights with respect to attribution of authorship or integrity of such Out-of-Scope Innovations. In addition, Advisor shall not (i) use any of the physical resources of any university or other institution (the "**Institution**") in connection with Advisor's engagement under this Agreement, including funds owned or managed by any Institution, personnel of any Institution, laboratories, facilities, equipment and all other resources of any Institution, (ii) participate or take part in, or use in connection with Advisor's engagement under this Agreement, any work or any research carried on at, or by, any Institution or conducted under the academic guidance or assistance of any of such Institution's employees, academic personnel or students, including any research funded by a third party which such Institution entered into an agreement with, or any other material assistance whatsoever at such Institution, or (iii) otherwise take any action that may result in any Work Product being considered owned, in whole or in part, by any Institution or other third party.

5.6 Confidentiality and Assignment Agreements. To the extent applicable, Advisor shall require each of its employees and contractors to execute written agreements containing obligations of confidentiality and non-use and assignment of Work Product and associated intellectual property rights consistent with the provisions of this Section 5 and Section 6 hereof prior to such employee or contractor providing any Services under this Agreement.

6. Confidentiality.

6.1 Confidential Information. "**Confidential Information**" means (a) any and all data, ideas and information (and all tangible and intangible embodiments thereof), whether or not marked or identified as confidential or proprietary, of any type whatsoever, whether in writing, or in oral, graphic, electronic or any other form, that is disclosed to, or accessed or obtained by, Advisor hereunder and relates to the Company, the Company's current or potential technology, intellectual property, contracts, business relationships, products, product candidates, employees, business, assets, finances, operations or opportunities, or the Services, including information of third parties to which the Company owes a duty of confidentiality, (b) all Work Product and all associated records, and (c) the terms and conditions of this Agreement. Notwithstanding the foregoing, Confidential Information does not include information that (i) is or becomes publicly known through lawful means and not as a result of any act or omission of Advisor; (ii) was rightfully known by Advisor without any confidentiality obligations before receipt from the Company, as evidenced by Advisor's contemporaneous written records; or (iii) is disclosed to Advisor without restriction by a third party who rightfully possesses the information and does not owe a duty of confidentiality to the Company with respect to thereto.

6.2 Nondisclosure and Nonuse. Except as permitted in this Section 6, Advisor will maintain in confidence and not, directly or indirectly, use, disseminate or in any way disclose the Confidential Information to any third party, other than the Company. Advisor may use the Confidential Information solely to perform the Services for the sole and exclusive benefit of the Company, and for no other purpose. Advisor will treat all Confidential Information with the same degree of care as Advisor accords to Advisor's own confidential information, but in no case will Advisor use less than reasonable care. Advisor will promptly give notice to the Company of any unauthorized use or disclosure of the Confidential Information and will assist the Company in remedying any such unauthorized use or disclosure. The Company's Confidential Information, until made public, may constitute material non-public information within the meaning of Regulation FD promulgated by the Securities and Exchange Commission. Recipient hereby acknowledges that it and its Representatives are aware that the U.S. securities laws would prohibit any person who has material non-public information about a company from purchasing or selling, directly or indirectly, securities of such company (including entering into hedge transactions involving such securities), or from communicating such information to any other person

under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. Recipient agrees that it will not use or permit any third party to use, and that Recipient will use its reasonable best efforts to assure that none of its Representative's will use or permit any third party to use, any of the Company's Confidential Information that is provided to Recipient in contravention of the U.S. securities laws.

6.3 Permitted Disclosure. Advisor's nondisclosure obligations under Section 6.2 do not apply to the extent that Advisor is required to disclose information by applicable law, regulation or order of a governmental agency or a court of competent jurisdiction; provided, however, that Advisor will provide advance written notice thereof to the Company, consult with the Company with respect to such disclosure, provide the Company sufficient opportunity to object to any such disclosure or to request confidential treatment and reasonably cooperate with the Company in connection therewith, and disclose the minimum amount of information needed to comply with such requirement.

6.4 Ownership and Return of Confidential Information. All Confidential Information and any materials (including documents, notebooks, drawings, papers, records, and lists) relating thereto or furnished by the Company to Advisor hereunder, and any copies or derivatives thereof, and all intellectual property rights therein, are and will remain the sole and exclusive property of the Company ("**Company Property**"). Advisor has no right or license to reproduce or use any Company Property except solely during the term of this Agreement to the extent necessary to perform Advisor's obligations under this Agreement. All other rights in and to the Company Property are expressly reserved by the Company. Advisor has no right or license to use the Company's trademarks, service marks, trade names, logos, symbols or brand names. Promptly upon the Company's request, Advisor will destroy or deliver to the Company, at the Company's option, all of the foregoing in Advisor's possession.

6.5 Privacy and Data Security.

(a) To the extent Advisor will access, use, disclose, maintain, or otherwise receive ("**Process**") any protected health information ("**PHI**"), as such word is defined by the Health Insurance Portability and Accountability Act of 1996, as amended, including implementing regulations ("**HIPAA**"), the parties agree that they will enter into a separate business associate agreement to comply with HIPAA ("**Business Associate Agreement**"), which is hereby incorporated by reference. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that, effective and contingent upon the entrance into such Business Associate Agreement, PHI shall not be considered to be Confidential Information, and use and disclosure thereof shall be governed by the applicable Business Associate Agreement.

(b) To the extent Advisor will Process any other information that identifies, directly or indirectly, an individual or relates to an identifiable individual and is not otherwise PHI ("**Personal Information**"), the parties agree that they will enter into a separate data processing agreement that complies with applicable law governing such Personal Information, which is hereby incorporated by reference. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that, effective and contingent upon the entrance into such data processing agreement, Personal Information shall not be considered to be Confidential Information, and use and disclosure thereof shall be governed by the applicable data processing agreement.

7. Independent Contractor Relationship.

7.1 Independent Contractor Status. Advisor's relationship with the Company is that of an independent contractor, and nothing in this Agreement is intended to, or will be construed to, create a partnership, agency, joint venture, employment or similar relationship. As such, Advisor and, if applicable, any employee of Advisor, (a) will not be entitled to any benefits accorded to the Company's employees, including workers' compensation, disability insurance, retirement plans, or vacation or sick pay, and (b) hereby waives any right to participate in any benefits programs maintained by the Company. Advisor's exclusion from such programs is a material component of the terms of compensation negotiated by the parties, and is not premised on Advisor's status as a non-employee with respect to the Company. Advisor's waiver is not conditioned on any representation or assumption concerning Advisor's status under the common law test. Consistent with Advisor's independent contractor status hereunder, Advisor

will not apply for any government-sponsored benefits that are intended to apply to employees, including unemployment benefits. Advisor is not authorized to make any representation, contract or commitment on behalf of the Company unless specifically requested or authorized in writing to do so by the Company. The Company has engaged the Advisor on a non-exclusive basis, and the Advisor is not obligated to provide Services to the Company unless the Advisor first confirms the Advisor's availability for any Services.

7.2 Taxes; Insurance; Permits. Advisor is solely responsible for, and will file, on a timely basis, all tax returns and payments required to be filed with, or made to, any federal, state or local tax authority with respect to the performance of Services and receipt of fees under this Agreement. Advisor is solely responsible for, and must maintain adequate records of, expenses incurred in the course of performing Services. No part of Advisor's compensation will be subject to withholding by the Company for the payment of any social security, federal, state or any other employee payroll taxes. Advisor will be responsible for obtaining, at Advisor's expense and in Advisor's name, any insurance, licenses and permits usual or necessary for performing the Services.

8. Other Services; No Conflict of Interest; Publicity. Advisor may represent and perform services for other persons or companies as Advisor sees fit, except to the extent that doing so causes Advisor to breach Advisor's obligations hereunder. Advisor represents and warrants that, except as disclosed to the Company, Advisor does not presently perform services for, and is not employed by, any companies whose businesses or proposed businesses involves products or services that would be competitive with the Company's current or planned products or services. If Advisor decides to perform services for any such company, Advisor will notify the Company in writing and provide any information reasonably requested by the Company to allow the Company to determine if such work would conflict with the terms of this Agreement or the interests of the Company. The Advisor acknowledges and agrees that, during the term of this engagement, their role is strictly confidential and internal-facing. Except as required by applicable law, Advisor shall not disclose, represent, or imply any formal or informal association with the Company to any third party, unless expressly authorized in writing by the Company.

9. Advisor's Representations and Warranties; Indemnification.

9.1 Advisor's Representations and Warranties. Advisor represents and warrants to the Company that (a) Advisor has all necessary power, capacity and authority to enter into and perform this Agreement, (b) the execution and performance of this Agreement by Advisor does not conflict with or constitute a breach of any other agreement to which Advisor is bound, or any obligation or duty owed by Advisor to any third party, and will not result in a violation of applicable laws, (c) Advisor has the requisite licenses, permits, qualifications and ability to perform the Services in accordance with the terms of this Agreement, without the advice, control, or supervision of the Company, (d) Advisor has good title to any Work Product and the right to assign Work Product to the Company free of any proprietary rights of any other party or any other encumbrance whatsoever, (e) to Advisor's knowledge, neither the Work Product nor any element thereof will infringe upon or misappropriate any intellectual property or proprietary right of any person or entity and (f) if applicable, each of Advisor's employees and subcontractors involved in the performance of the Services hereunder has agreed or will have agreed to be bound by terms and conditions at least as protective of Work Product and other Confidential Information as those herein. Advisor further represents and warrants that Advisor (i) is self-employed in an independently established trade, occupation, or business; (ii) holds Advisor out to the public as independently competent and available to provide applicable services similar to the Services; (iii) has obtained or expects to obtain clients or customers other than the Company for whom Advisor performs services; and (iv) will perform work for the Company that Advisor understands is outside the usual course of the Company's business. Advisor further represents and warrants that Advisor has never been debarred, excluded, or suspended from or otherwise ineligible to participate in any federal or state healthcare program, including Medicare or Medicaid, and is not is not currently debarred by the United States Food and Drug Administration, or other applicable governing health authority, under any existing or prior law or regulation and will promptly inform the Company if Advisor becomes debarred during the term of this Agreement.

9.2 Indemnification. Advisor shall indemnify and hold harmless the Company from any third-party claim to the extent finally determined by a court of competent jurisdiction to have arisen

directly from Advisor's gross negligence, willful misconduct, or fraud in the performance of services under this Agreement. Advisor shall not be obligated to indemnify the Company for ordinary negligence, good faith errors in judgment, reliance on Company-provided information, or actions taken at the direction of the Company or its officers or directors. In no event shall Advisor be liable for consequential, punitive, or special damages. The Parties acknowledge that Advisor and the Company are parties to a separate Indemnification Agreement attached to the Separation Agreement as Exhibit E (the "**Indemnification Agreement**"). The Parties expressly agree that the Indemnification Agreement shall remain in full force and effect and shall apply to the services provided to the Company pursuant to the Advisor Agreement. Nothing in this Agreement shall limit, impair, or supersede Advisor's rights under the Indemnification Agreement, the Company's organizational documents, applicable law, or any applicable insurance policies. To the extent of any inconsistency, the Indemnification Agreement shall control.

10. Term and Termination.

10.1 Term. This Agreement is effective as of the Effective Date set forth above and will continue until the later of twelve (12) months after the date of any Change in Control occurs (as defined in the Company's Amended and Restated Omnibus Incentive Plan) or July 31, 2027 (the "**Term**"). Notwithstanding the foregoing, Advisor may terminate this Agreement immediately and in its sole discretion at any time. Notwithstanding the termination of this Agreement, Company shall remain obligated to pay for all Services performed and to reimburse Advisor for all expenses incurred prior to such termination as provided for in this Agreement.

10.2 Early Termination. Either the Company or Advisor may terminate the Agreement immediately in the event that the other party has materially breached the Agreement. This Agreement will terminate automatically upon the occurrence of (a) the appointment of a receiver, liquidator, or trustee for either party by decree of competent authority in connection with any adjudication or determination by such authority that either party is bankrupt or insolvent, (b) the filing by either party of a petition in voluntary bankruptcy, the making of an assignment for the benefit of its creditors, or the entering into of a composition with its creditors or (c) the Death (if applicable) or dissolution (if applicable) of either party.

10.3 Effect of Expiration or Termination. If the Agreement is terminated in the absence of a material breach by Advisor, the Company will pay Advisor for Services performed hereunder prior to such expiration or termination. The provisions of Sections 5, 6, 9, 10.3 and 11 will survive any termination or expiration of this Agreement.

11. Miscellaneous.

11.1 Successors and Assigns. Advisor acknowledges that Advisor's performance hereunder is personal, and Advisor may not subcontract or otherwise assign, transfer or delegate any of Advisor's rights or obligations under this Agreement without the Company's prior written consent. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties and their respective heirs, successors, and permitted assigns, and will not benefit any person or entity other than the foregoing. The Company may assign, delegate and transfer this Agreement or any of its rights or obligations hereunder to any third party in whole or in part.

11.2 Amendments; Waivers. This Agreement will not be altered, modified, changed or in any way amended except by an instrument in writing executed by Advisor and a duly authorized representative of the Company. No waiver by a party of a breach of or obligation under this Agreement will constitute a waiver of any other or subsequent breach or obligation.

11.3 Governing Law; Forum. This Agreement will be governed by, interpreted, and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof. The parties hereby irrevocably consent to the jurisdiction of the courts located within the geographical boundaries of the United States District Court for the Southern District of California with respect to any action or proceeding arising out of or relating to this Agreement, submit to personal jurisdiction in such court and waive any objection to venue in any such court.

11.4 Notices. All notices, requests, waivers, and other communications made pursuant to this Agreement will be in writing and will be sent by personal hand delivery, express overnight delivery, or electronic mail, and addressed to the addresses set forth below such party's signature hereto (or subsequently provided to the other party in accordance with this section). All such notices, requests, waivers, and other communications are deemed given: (a) on the date on which so hand-delivered, (b) one (1) business day after deposit for delivery with a nationally recognized express overnight delivery service and (c) when sent by electronic mail if sent between 8:00 am and 5:00 pm local time for the recipient on a business day or otherwise on the next business day.

11.5 18 U.S.C. § 1833(b) Notice. The Company hereby provides the following notice pursuant to 18 U.S.C. § 1833(b), and Advisor acknowledges and understands that 18 U.S.C. § 1833(b), provides the following immunities to Advisor (notwithstanding anything to the contrary herein): An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

11.6 Further Assurances. The Company and Advisor will, without further consideration, make, do, execute, or cause to be made, done, and executed such further acts, deeds, conveyances, consents, and assurances which may reasonably be required to effect the transactions contemplated by this Agreement.

11.7 Enforceability; Severability. Each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law. If one or more provisions of this Agreement are held to be unenforceable under applicable law, (a) such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement, and (b) the balance of the Agreement will be interpreted as if such provision were so modified and will be enforceable in accordance with its terms.

11.8 Acknowledgement; Interpretation. The parties acknowledge that they have each had the opportunity to consult with independent counsel of their own choice concerning this Agreement and have done so to the extent they deem necessary, have read and understand the Agreement, are fully aware of its legal effect, and have entered into it voluntarily and freely based on their own judgment. This Agreement will be construed as a whole, according to its fair meaning, and not in favor of or against any party. The word "including" and its derivatives are deemed to be followed by the words "without limitation". Headings are used for reference purposes only and should be ignored in the interpretation of this Agreement.

11.9 Entire Agreement. This Agreement (including any Exhibits) constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior or contemporaneous representations, warranties or agreements concerning such subject matter, written or oral.

11.10 Counterparts; Signatures. This Agreement may be executed and delivered in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Any signature page delivered by facsimile, e-mail or other transmission method (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) will be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto.

[Signatures Follow on Ensuing Page(s)]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

Skye Bioscience, Inc.

By: _____
Name: _____
Title: _____

Address: 11250 El Camino Real, Suite 100
San Diego, CA 92130
Attn: Chief Executive Officer _____
Email: _____

With a copy to:

Address: 11250 El Camino Real, Suite 100
San Diego, CA 92130
Attn: Legal

Email: contracts@skyebioscience.com

ADVISOR:

_____
Tuan Diep

By: _____
Name: _____
Title: _____

Address: _____
_____

Email: _____

EXHIBIT A

SERVICES AND COMPENSATION

Description of Services:

Advisor shall provide such advisory Services as reasonably requested by the Company from time to time, including, without limitation, services related to transitioning Advisor's prior role and other services mutually agreed upon by the Company and Advisor. Advisor agrees to cooperate and work constructively with the Company's executive team in performing Services and following the Company's reasonable directives.

Advisor shall only perform Services in response to specific written request by the Company and shall not spend more than 10 hours per month performing Advisor's obligations to the Company pursuant to this Agreement without advance written consent of the Company.

Compensation and Payment Terms:

Advisor will submit invoices and reports for Services performed on a monthly basis as set forth in Section 3 of the Agreement. Advisor will invoice the Company for fees and costs incurred for Services on a monthly basis, and such invoices are due and payable by the Company within thirty (30) calendar days of the receipt of each invoice.

The Company will pay Advisor based on a rate per hour of $350.00 within thirty (30) calendar days after Advisor's submission of an invoice and report that meets the requirements of Section 3 of the Agreement.

Expenses:

Advisor will not be authorized to incur on behalf of the Company any expenses and will be responsible for all expenses incurred while performing the Services unless otherwise agreed to in advance by the Company's Chief Executive Officer in writing ("**Approved Expenses**"). If the Advisor is required to travel, the Company shall reimburse the Advisor for all Approved Expenses, including transportation expenses and travel time, incurred in connection with the performance of the Advisor's Services, provided such expenses are within the budget approved in writing by the Company. The Company will reimburse Approved Expenses in accordance with the Company's then effective applicable expense reimbursement polices no later than thirty (30) days after the Company's receipt of Advisor's invoice, provided that reimbursement for Approved Expenses may be delayed until such time as Advisor has furnished reasonable documentation for Approved Expenses as the Company may reasonably request. Advisor will submit to the Company all statements for Approved Expenses incurred on a monthly basis in a form prescribed by the Company.

EXHIBIT 31.1

Certification of Principal Executive Officer,
Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as Amended,
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Punit Dhillon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Skye Bioscience, Inc. for the quarter ended September 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Punit Dhillon

Punit Dhillon
Chief Executive Officer, President, Secretary and Director

Date: November 13, 2026

EXHIBIT 31.2

Certification of Principal Financial Officer,
Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as Amended,
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Punit Dhillon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Skye Bioscience, Inc. for the quarter ended September 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Punit Dhillon

Punit Dhillon
Chief Executive Officer, President, Secretary and Director
(Principal Financial and Accounting Officer)

Date: November 13, 2026

EXHIBIT 32.1

Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Skye Bioscience, Inc. a Nevada corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Punit Dhillon, Chief Executive Officer, President, Secretary and Director of the Company, certifies to the best of his knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Punit Dhillon

Punit Dhillon
Chief Executive Officer, President, Secretary and Director

Date: November 13, 2026

EXHIBIT 32.2

Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Skye Bioscience, Inc. a Nevada corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Punit Dhillon, Chief Executive Officer and Principal Financial and Accounting Officer of the Company, certifies to the best of his knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Punit Dhillon
Punit Dhillon
Chief Executive Officer, President, Secretary and Director
(Principal Financial and Accounting Officer)

Date: November 13, 2026