

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
DEEPSHIELD SYSTEMS, INC.
(a Delaware corporation)**

Date and Time: December 15, 2023, at 9:00 a.m. Pacific Time

Location: Via video conference

Attendance:

- Dr. Marcus Chen, Director and Chief Executive Officer
- Sarah Blackwood, Director and Chief Technology Officer
- Robert Kessler, Director and Chief Financial Officer
- Dr. Elena Rodriguez, Director
- Vincent Thompson, Independent Director
- Michelle Wei, Independent Director
- David Stern, Independent Director

Also Present:

- James Morrison, VP of Engineering
- Katherine Mills, Corporate Secretary
- Representatives from Wilson Sonsini Goodrich & Rosati, P.C. ("Legal Counsel")

CALL TO ORDER

Dr. Marcus Chen, serving as Chairman of the meeting, called the special meeting of the Board of Directors (the "Board") of DeepShield Systems, Inc. (the "Company") to order at 9:00 a.m. Pacific Time. Katherine Mills served as Secretary of the meeting. The Chairman noted that notice of the meeting had been duly given and a quorum was present.

SERIES C FINANCING

The Chairman reminded the Board that the purpose of the meeting was to consider and approve the

terms of the Series C Preferred Stock financing (the "Series C Financing"). Mr. Kessler presented an overview of the proposed financing terms, including:

Amount: Up to \$75,000,000 through the sale of Series C Preferred Stock

Price: \$12.50 per share

Pre-money Valuation: \$425,000,000

Lead Investor: Quantum Ventures IX, L.P.

Major Participants: Maritime Technology Fund II, Critical Infrastructure Capital Partners

DISCUSSION OF FINANCING TERMS

Legal Counsel reviewed the principal terms of the Series C Financing documents, including:

The Series C Preferred Stock Purchase Agreement

Amended and Restated Certificate of Incorporation

Amended and Restated Investors' Rights Agreement

Amended and Restated Right of First Refusal and Co-Sale Agreement

Amended and Restated Voting Agreement

The Board engaged in detailed discussion regarding the proposed terms, focusing particularly on:

- Liquidation preference and participation rights
- Anti-dilution provisions
- Board composition changes
- Protective provisions
- Use of proceeds
- Employee option pool increase

RESOLUTIONS

After careful consideration and discussion, upon motion duly made and seconded, the Board unanimously adopted the following resolutions:

RESOLVED: That the Series C Financing, as presented to the Board, is hereby approved, including the sale and issuance of up to 6,000,000 shares of Series C Preferred Stock at a purchase price of \$12.50 per share.

FURTHER RESOLVED: That the form, terms, and provisions of the following agreements are hereby approved:

Series C Preferred Stock Purchase Agreement

Amended and Restated Certificate of Incorporation

Amended and Restated Investors' Rights Agreement

Amended and Restated Right of First Refusal and Co-Sale Agreement

Amended and Restated Voting Agreement

FURTHER RESOLVED: That the officers of the Company are authorized to file the Amended and Restated Certificate of Incorporation with the Delaware Secretary of State.

FURTHER RESOLVED: That the size of the Company's equity incentive plan shall be increased by 1,500,000 shares.

FURTHER RESOLVED: That the officers of the Company are authorized and directed to take all actions necessary to effectuate the Series C Financing.

OPTION GRANTS

The Board reviewed and approved the following option grants under the Company's 2016 Stock Plan:

125,000 shares to James Morrison at fair market value

75,000 shares to Dr. Elena Rodriguez at fair market value

Various grants to key employees totaling 350,000 shares

OTHER BUSINESS

The Board discussed the proposed use of proceeds, including:

International expansion initiatives (\$25M)

R&D for maritime security solutions (\$20M)

Sales and marketing expansion (\$15M)

Working capital and general corporate purposes (\$15M)

ADJOURNMENT

There being no further business to come before the meeting, upon motion duly made and seconded, the meeting was adjourned at 11:15 a.m. Pacific Time.

Respectfully submitted,

Katherine Mills

Corporate Secretary

APPROVED:

Dr. Marcus Chen

Chairman of the Board

Date: December 15, 2023