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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 27, 2021

Gritstone Oncology, Inc.
(Exact name of registrant as specified in its charter)

Delaware	001-38663	47-4859534
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

5959 Horton Street, Suite 300
Emeryville, California 94608
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: (510) 871-6100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001	**GRTS**	**The Nasdaq Global Select Market**

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

Emerging growth company ☒

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

Item 1.01 Entry into a Material Definitive Agreement.

On January 29, 2021 Gritstone Oncology, Inc. ("Gritstone" or the "Company") entered into a Collaboration, Option and License Agreement (the "Collaboration Agreement") with Gilead Sciences, Inc. ("Gilead") to research and develop a vaccine-based immunotherapy as part of Gilead's efforts to find a curative treatment for human immunodeficiency virus (HIV) infection. Pursuant to the terms of the Collaboration Agreement, Gilead will be responsible for conducting a Phase 1 study of a HIV-specific therapeutic vaccine utilizing Gritstone's technology and paid to Gritstone a $30 million upfront cash payment. In addition, Gilead made a $30 million equity investment in Gritstone. Gritstone also granted Gilead an option to acquire an exclusive license to develop and commercialize the HIV-specific therapeutic vaccine beyond the Phase 1 study (the "Option"). Gritstone will be eligible to receive up to an aggregate of $725 million if the Option is exercised and if certain clinical, regulatory and commercial milestones are achieved, as well as tiered royalties ranging from the mid single-digits to low double-digits on net sales of a therapeutic product utilizing its technology.

The term of the Collaboration Agreement lasts until the last to expire royalty term or earlier termination; provided, that the Collaboration Agreement will expire if the Option is not exercised by the end of the Option term. The License Agreement is terminable by either party for material breach following a 90-day cure period, subject to certain extensions, or by Gilead with 90 days prior written notice for convenience.

The Collaboration Agreement contains, among other provisions, representation and warranties, indemnification obligations, confidentiality, audit and inspection, and information sharing provisions in favor of each party that are customary for an agreement of this nature.

In connection with the Collaboration Agreement, Gritstone and Gilead entered into a Stock Purchase Agreement (the "Purchase Agreement") on January 29, 2021, pursuant to which the Company issued and sold to Gilead, in an unregistered offering, 1,196,591 shares of common stock, par value $0.0001 per share (the "Common Stock") at a purchase price of approximately $25.65 per share for aggregate gross proceeds to the Company of $30.0 million (the "Private Placement"). In addition, Gritstone and Gilead entered into a Stockholder Agreement on January 29, 2021 pursuant to which Gritstone granted certain registration rights to Gilead in respect of the shares of Common Stock purchased in the Private Placement and Gilead agreed to certain standstill and market stand-off provisions. The Purchase Agreement contains, among other provisions, representations and warranties, indemnification obligations and confidentiality provisions in favor each party that are customary for an agreement of this nature.

The foregoing summaries of the Collaboration Agreement, Purchase Agreement and Stockholder Agreement are qualified in their entirety by reference to the definitive transaction documents. The Purchase Agreement and Stockholder Agreement are attached hereto as Exhibits 10.1 and 10.2 respectively, and are incorporated herein by reference. The Company anticipates filing the Collaboration Agreement as an exhibit to its Annual Report on Form 10-k for the year ended December 31, 2020.

Item 3.02 Unregistered Sales of Equity Securities.

To the extent required by Item 3.02 of Form 8-K, the information regarding the Common Stock set forth under Item 1.01 of this Form 8-K is incorporated by reference in this Item 3.02. The Company issued the Common Stock in reliance on the exemption from registration provided for under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506 of Regulation D thereunder. The Company relied on this exemption from registration for private placements based in part on the representations made by Gilead, including the representations with respect to Gilead's status as an accredited investor, as such term is defined in Rule 501(a) of the Securities Act, and Gilead's investment intent. The offer and sale of the Securities have not been registered under the Securities Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 27, 2021, the Board of Directors of Gritstone appointed James Cho, the Company's Vice President of Finance as the Company's Principal Accounting Officer. Mr. Cho has served as the Company's Vice President of Finance since November 2019. Prior to joining the Company, Mr. Cho served as the Corporate Controller of UNITY Biotechnologies, Inc. from October 2016 until joining Gritstone. Prior to that Mr. Cho served as Corporate Controller of Kodiak Sciences, Inc. from September 2015 until joining UNITY, and in various roles, including Corporate Controller, at KaloBios Pharmaceuticals, Inc. prior to joining Kodiak. Mr. Cho holds a B.S. in

accounting from the University of Utah and a M.B.A. from the University of Southern California Marshall School of Business. In addition, the Board appointed Dr. Andrew Allen, the Company's Chief Executive Officer, as the interim principal financial officer. Dr. Allen has served as the Company's President and Chief Executive Officer since its founding in August 2015.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Stock Purchase Agreement, dated January 29, 2021*
10.2	Stockholder Agreement, dated January 29, 2021*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Certain schedules have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule to the SEC upon its request; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any schedule so furnished.

SIGNATURES

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

GRITSTONE ONCOLOGY, INC.

Date: February 1, 2021

By: /s/ Andrew Allen
Andrew Allen
President and Chief Executive Officer

Exhibit 10.1

EXECUTION VERSION

GRITSTONE ONCOLOGY, INC.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("Agreement") is made as of January 29, 2021 (the "Effective Date"), by and between Gritstone Oncology, Inc., a Delaware corporation (the "Company"), and Gilead Sciences, Inc., a Delaware corporation (the "Purchaser").

RECITALS

A. The Company and the Purchaser have entered into that certain Collaboration, Option and License Agreement, dated as of January 29, 2021 (the "Collaboration Agreement").

B. Pursuant to its obligations under the Collaboration Agreement, the Purchaser is obligated purchase, and the Company is obligated to issue, sell and deliver, upon the terms and conditions stated in this Agreement, shares of common stock, par value $0.0001 per share (the "Common Stock"), of the Company with a value of $30,000,000.

C. Concurrent with the execution and delivery hereof, the Company and Purchaser shall have entered into a Stockholder Agreement, dated as of the date hereof (the "Stockholder Agreement"), with such Stockholder Agreement.

D. In connection with the Closing, the Purchaser has delivered to the Company a completed copy of the Purchaser Questionnaire in the form attached hereto as **Appendix I** (the "Purchaser Questionnaire").

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company and the Purchaser hereby agree as follows:

SECTION 1. AUTHORIZATION OF SALE OF THE SHARES.

The Company has authorized the sale and issuance to the Purchaser of 1,169,591 shares of its Common Stock, on the terms and subject to the conditions set forth in this Agreement. The shares of Common Stock sold hereunder at the Closing (as defined below) shall be referred to as the "Shares."

SECTION 2. AGREEMENT TO SELL AND PURCHASE THE SHARES.

At the Closing (as defined in Section 3), the Company will sell to the Purchaser, and the Purchaser will purchase from the Company, the Shares, free and clear of all liens, encumbrances or restrictions on transfer, other than the restrictions set forth in this Agreement and the Stockholder Agreement and applicable federal securities laws, at a purchase price of $25.64999218 per Share for an aggregate purchase price of $30,000,000 (the "Aggregate Purchase Price"), which Shares will have been duly and validly authorized and issued, fully paid and non-

assessable at the time of issuance by the Company prior to the Closing. In the event of any stock dividend, stock split, combination of shares, recapitalization, or other similar change in the capital structure of the Company after the Effective Date and on or prior to the Closing that affects or relates to the Common Stock, the number of Shares shall be adjusted proportionately. The parties hereto agree that for income tax purposes, the Shares issued hereunder have a fair market value of $25.64999218 per share and are being received as arms-length consideration in a transaction separate and apart from the transaction contemplated by the Collaboration Agreement. The parties hereto agree that they shall file all income tax returns in a manner consistent with the foregoing and shall not take any position in any tax contest, audit, or proceeding or otherwise contrary thereto, unless required pursuant to a "final determination," within the meaning of Section 1313 of the Internal Revenue Code of 1986, as amended.

SECTION 3. CLOSING AND DELIVERY.

3.1 **Closing**. Subject to the terms and conditions set forth herein, the closing of the purchase and sale of the Shares pursuant to this Agreement (the "Closing") shall be held on the date hereof (the "Closing Date") concurrently with the execution and delivery of this Agreement at the offices of Latham & Watkins LLP, 140 Scott Drive, Menlo Park, California 94025, remotely via electronic exchange of documents and signatures or on such other date and place as may be agreed to by the Company and the Purchaser. At the Closing, the Purchaser shall pay the Aggregate Purchase Price to the Company by wire transfer of immediately available funds to an account designated in writing by the Company to the Purchaser not less than two (2) Business Days prior to the Closing Date, and each of the Purchaser and the Company shall execute and deliver to the other, each of the agreements or other documents required to be executed by it as of the Closing Date pursuant to this Section 3. For the purposes of this Agreement, "Business Day" means each day that is not: (a) Saturday, Sunday or other day on which commercial banks in New York, New York or San Francisco, California are authorized or obligated by Law or executive order to close or (b) the Sunday through Saturday period containing July 4 of any given year or (c) December 26 through December 31.

3.2 **Issuance of the Shares at the Closing**. At the Closing, the Company shall issue and deliver to the Purchaser evidence of a book entry position evidencing the Shares issued by the Company and purchased by the Purchaser hereunder, registered in the name of the Purchaser, or in such nominee name(s) as designated by the Purchaser, representing the Shares to be purchased by the Purchaser at the Closing against payment of the Aggregate Purchase Price for the Shares. The name(s) in which the shares are to be issued to the Purchaser is set forth in the Purchaser Questionnaire.

3.3 **Receipt of Payment**. On the Closing Date, the Company shall receive payment of the Aggregate Purchase Price, by wire transfer of immediately available funds.

3.4 **Receipt of Executed Documents**. On the Closing Date, (i) the Purchaser shall execute and deliver to the Company the Purchaser Questionnaire and the Cross-Receipt, (ii) the Company shall execute and deliver to the Purchaser the Cross Receipt, (iii) the Purchaser shall have received an opinion of Latham & Watkins LLP, special counsel to the Company, dated as of the Closing Date, in the form attached hereto as **Appendix IV** and (iv) the Purchaser shall have received a certificate of the secretary of the Company, dated as of the Closing Date, certifying that

attached thereto is a true and complete copy of all resolutions adopted by the Board authorizing the execution, delivery and performance of the Transaction Documents and the transactions required thereby and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions required hereby as of the Closing Date. Prior to the Closing Date, the Company has delivered to the Purchaser a good standing certificate for the Company, issued by the Secretary of State of the State of Delaware, dated not less than five (5) Business Days prior to the Closing Date.

SECTION 4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

Except as set forth in the Filed SEC Documents (as defined below) which disclosures qualify the representations and warranties in their entirety, the Company hereby represents and warrants as of the Effective Date to, and covenants with, the Purchaser as follows:

4.1 **Organization and Standing**. The Company (i) has been duly incorporated and is validly existing as a corporation in good standing under the laws of Delaware with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as presently conducted and as proposed to be conducted as described in the SEC Documents (as defined below) filed and publicly available at least one (1) Business Day prior to the Effective Date (the "Filed SEC Documents"), and (ii) is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification, except in the case of clause (ii) above, to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect. Gritstone Biopharmaceuticals UK Ltd. is the only subsidiary of the Company and the Company does not own or hold any securities or other ownership interests in, or control of, any other individual, entity, corporation, partnership, limited liability company, incorporated or unincorporated association, trust, joint venture, joint stock company, government (or an agency or subdivision thereof) or other entity or organization of any kind (collectively, a "Person"). For purposes of this Agreement, "Material Adverse Effect" means any effect, change, development, event, circumstance, occurrence, condition, fact or state of fact that, individually or in the aggregate (x) has, or would reasonably be expected to have, (i) a material adverse effect on the validity or enforceability of this Agreement, or (ii) a material adverse effect on the condition (financial or otherwise), earnings, business, assets, results of operations or properties of the Company, or (y) would, or would reasonably be expected to, prevent, delay or impair the Company's ability to perform its obligations under this Agreement.

4.2 **Corporate Power; Authorization**. The Company has all requisite corporate power and authority, and has taken all requisite corporate action required by applicable law, to execute and deliver this Agreement and the Stockholder Agreement, and the exhibits, annexes and other documents contemplated thereby (collectively, the "Transaction Documents"), sell and issue the Shares and carry out and perform all of its obligations under the Transaction Documents. The execution and delivery of this Agreement and the other Transaction Documents, by the Company and the consummation by it of the transactions required hereby (including the issuance and sale of the Shares by the Company) and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company or the Board of Directors of the Company (the "Board") in connection herewith. Each Transaction Document has been duly

executed by the Company, and when delivered, constitutes the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally (collectively, the "Enforceability Limitations"), and (ii) as limited by equitable principles generally, including any specific performance. No vote by the stockholders of the Company is required to enter into this Agreement or consummate the transactions contemplated hereby, including the issuance and sale of the Shares.

4.3 **Issuance and Delivery of the Shares**. The Shares have been duly authorized and, when issued and paid for in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable, free and clear of all liens, encumbrances or restrictions on transfer, other than the restrictions set forth in this Agreement and the Stockholder Agreement and applicable federal securities laws. Assuming the accuracy of the representations made by the Purchaser in Section 5, the offer and issuance by the Company of the Shares is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). Neither the Company nor any Person acting on its behalf (including but not limited to Cowen and Company, LLC) has directly or indirectly made any offer or sale of any security or solicited any offer to buy or sell any security, under any circumstances that would require registration of the Shares under the Securities Act.

4.4 **SEC Documents; Financial Statements.**

(a) The Company has filed in a timely manner all documents (including all exhibits and all other information incorporated therein), reports, schedules, forms, statements that the Company was required to file with the Securities and Exchange Commission (the "Commission") under Sections 13, 14(a) and 15(d) the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable rules and regulations of the SEC promulgated thereunder, since becoming subject to the requirements of the Exchange Act. As of their respective filing dates (or, if amended prior to the date of this Agreement, when amended), all documents (including all exhibits and all other information incorporated therein), reports, schedules, forms, statements filed by the Company with the Commission (the "SEC Documents") complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission promulgated thereunder. None of the SEC Documents as of their respective dates contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Documents (the "Financial Statements") present fairly the financial condition, results of operations and cash flows of the Company as of the dates and for the periods indicated, comply as to form with the applicable accounting requirements of the Exchange Act, the published rules and regulations of the SEC, and have been prepared in conformity with United States generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as otherwise noted therein). Ernst & Young LLP, who have certified certain financial statements of the Company delivered their report with respect to the audited financial statements and schedules included in the SEC Documents, are independent public accountants with respect to the Company within the meaning of the Exchange Act and the applicable published rules and regulations thereunder.

(b) The Company maintains "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) and such disclosure controls and procedures are effective at the reasonable assurance level. Based on its most recent evaluation, the Company is not aware of any "significant deficiencies" or "material weaknesses" (as such terms are defined in Auditing Standard No. 5 of the Public Company Accounting Oversight Board, as in effect on the date of this Agreement) in the design or operation of internal control over financial reporting ("Internal Controls") that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial data or (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's Internal Controls. Each of the principal executive officer and the principal financial officer of the Company (or each former principal executive officer of the Company and each former principal financial officer of the Company, as applicable) has made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 with respect to all reports, schedules, forms, statements and other documents required to be filed by the Company with the Commission.

4.5 **Capitalization**. The authorized capital stock of the Company consists of 300,000,000 shares of common stock and 10,000,000 shares of undesignated Preferred Stock. As of the Effective Date, there are no shares of Preferred Stock issued and outstanding and there are 47,623,138 shares of Common Stock issued and outstanding, of which no shares are owned by the Company. There are no other shares of any other class or series of capital stock of the Company issued or outstanding. The Company has no capital stock reserved for issuance, except that, as of the Effective Date, there are (i) 4,979,094 shares of Common Stock reserved for issuance pursuant to the Company's equity incentive plans, of which 4,101,094 shares are issuable upon the exercise of stock options outstanding on the Effective Date, and 878,000 shares are issuable upon the vesting of restricted stock units outstanding on the Effective Date, (ii) 2,228,435 shares of Common Stock reserved for issuance pursuant to the Company's employee stock purchase plan and (iii) 27,480,719 shares of Common Stock reserved for issuance upon the exercise of outstanding warrants. There are no bonds, debentures, notes or other indebtedness having voting rights (or convertible into securities having such rights) ("Voting Debt") of the Company issued and outstanding. Except as stated above, there are no existing options, warrants, calls, subscriptions or other rights, agreements, arrangements or commitments relating to the issued or unissued capital stock of the Company, obligating the Company to issue, transfer, sell, redeem, purchase, repurchase or otherwise acquire or cause to be issued, transferred, sold, redeemed, purchased, repurchased or otherwise acquired any capital stock or Voting Debt of, or other equity interest in, the Company or securities or rights convertible into or exchangeable for such shares or equity interests or obligations of the Company to grant, extend or enter into any such option, warrant, call, subscription or other right, agreement, arrangement or commitment. The issuance of Common Stock or other securities pursuant to any provision of this Agreement will not give rise to any preemptive rights or rights of first refusal on behalf of any Person or result in the triggering of any anti-dilution rights. The Company does not have any outstanding shareholder purchase rights or "poison pill" or any similar agreement or arrangement in effect. Other than the Amended and Restated Investors' Rights Agreement, dated as of June 29, 2018, by and among the Company and the investors listed therein, and the Sales Agreement dated October 15, 2019 by and between the Company and Cowen and Company, LLC, there are no agreements or arrangements under which the Company is obligated to register the sale of any of its securities under the Securities Act or relating to the voting of shares of capital stock of the Company or the giving of written consents by a stockholder or director of the Company. Each authorized share of Common Stock is entitled to one (1) vote.

4.6 **Litigation**. No action, suit, proceeding or investigation by or before any court or governmental agency, authority or body or any arbitrator involving the Company or its property is pending or threatened in writing, or to the best knowledge of the Company, threatened orally that has had or will have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. There are no current or pending audits or investigations, actions, suits or proceedings by or before any court, regulatory body, administrative agency, governmental body, arbitrator or other authority that are required under the Securities Act to be described in the Filed SEC Documents that are not so described.

4.7 **Governmental Consents**. No consent, approval, order or authorization of, or registration, qualification, designation, notice, declaration or filing with, any federal, state, or local governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by the Transaction Documents except for the filing of a Form D with the Commission under the Securities Act and compliance with the securities and "Blue Sky" laws in the states and other jurisdictions in which shares of Common Stock are offered and/or sold, which compliance will be effected in accordance with such laws.

4.8 **No Default or Consents**. Neither the execution, delivery or performance of the Transaction Documents by the Company nor the consummation of any of the transactions contemplated thereby (including, without limitation, the issuance and sale by the Company of the Shares) will conflict with, result in a default under (or an event which, with notice or lapse of time or both, would become a default under), conflict with, or give rise to any right of termination cancellations, or acceleration, breach or violation of, or imposition of any lien, charge or encumbrance upon any property or assets of the Company or its subsidiary pursuant to, (i) the certificate of incorporation or by-laws of the Company, (ii) the terms of any indenture, contract, lease, license, collaboration agreement, development agreement, joint venture, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company is a party or bound or to which its or their property is subject, (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or its subsidiary of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or its subsidiary or any of their respective properties, or (iv) result in any encumbrance upon any of the Shares, other than restrictions on resale pursuant to securities Laws or restrictions contained in the Transaction Documents, except in the case of clauses (ii) and (iii) above, for any conflict, breach or violation of, or imposition that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

4.9 **No Material Adverse Change**. Since September 30, 2020, (i) there have not been any changes in the authorized capital, assets, liabilities, financial condition, business, material agreements or operations of the Company from that reflected in the Financial Statements except changes in the ordinary course of business which have not, either individually or in the aggregate, materially adverse to the business, properties, financial condition or results of operations of the Company or (ii) to the Effective Date, there have not been any changes, events or occurrence that, individually or in the aggregate, have had or would reasonably be expected to have a Material Adverse Effect.

4.10 **No General Solicitation**. Neither the Company nor any Person acting on its behalf, directly or indirectly has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act) in connection with the offer or sale of the Shares. The Company has offered the Shares for sale only to the Purchaser.

4.11 **No Integrated Offering**. Neither of the Company or any Person acting on its behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any Company security (as defined in the Securities Act), under circumstances that would adversely affect reliance by the Company on Section 4(a)(2) of the Securities Act or require registration of any of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior offerings by the Company for purposes of the Securities Act.

4.12 **Compliance with Nasdaq Continued Listing Requirements**. The Company is in compliance with applicable Nasdaq Global Select Market ("Nasdaq") continued listing requirements and the Company has taken no action designed to, or which would reasonably be likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from the Nasdaq. There are no proceedings pending or, to the Company's knowledge, threatened against the Company relating to the continued listing of the Common Stock on Nasdaq and the Company has not received any notice of, nor to the Company's knowledge is there any reasonable basis for, the delisting of the Common Stock from Nasdaq.

4.13 **Money Laundering Laws**. The operations of the Company and its subsidiary are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970 and The Criminal Justice (Money Laundering and Terrorist Financing) Act of 2010 and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any court or governmental agency, authority or body or any arbitrator (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or its subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

4.14 **OFAC; Anti-Corruption and Anti-Bribery Laws.**

(a) Neither the Company nor, to the knowledge of the Company, any director, officer, agent or employee of the Company (i) is currently subject to any sanctions administered or imposed by the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of State, or the Bureau of Industry and Security of the U.S. Department of Commerce), the United Nations Security Council, the European Union, or the United Kingdom (including sanctions administered or controlled by Her Majesty's Treasury) (such sanctions, collectively, "Sanctions" and such persons, collectively, "Sanction Persons") or (ii) will, directly or indirectly, use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person in any manner that will result in a violation of any economic Sanctions by, or could result in the imposition of Sanctions against, any person (including any person participating in the offering, whether as underwriter, advisor, investor or otherwise). Neither the Company nor, to the knowledge of the Company, any director, officer, agent, or employee of the Company is a person

that is, or is 50% or more owned or otherwise controlled by a person that is: (x) the subject of any Sanctions; or (y) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory (currently, Cuba, Iran, North Korea, Sudan, and Syria) (collectively, "Sanctioned Countries" and each, a "Sanctioned Country"). The Company has not engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding two (2) years, nor does the Company have any plans to engage in dealings or transactions with Sanctioned Persons or with or in Sanctioned Countries. Within the past two (2) years, the Company has neither been the subject of any governmental investigation or inquiry regarding compliance with Sanctions nor has it been assessed any fine or penalty in regard to compliance with Sanctions.

(b) None of the Company, its subsidiary, or any director, officer, agent, employee or other authorized person acting on behalf of the Company or its subsidiary has taken any action, directly or indirectly, in violation by such persons of the Foreign Corrupt Practices Act of 1977, the Prevention of Corruption Acts 1899 to 2010 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder. No part of the proceeds from the issuance and delivery of the Shares will be used, directly or indirectly, in violation of the Foreign Corrupt Practices Act of 1977, the Prevention of Corruption Acts 1899 to 2010 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder.

4.15 **Investment Company**. The Company is not, and after giving effect to the transactions contemplated by the Transaction Agreements will not be, an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

4.16 **Intellectual Property**.

(a) The Company and its subsidiary owns, or holds valid and enforceable licenses (pursuant to written license agreements) to use and exploit, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade dress, trade secrets, inventions and discoveries and invention disclosures whether or not patented, copyrights in both published and unpublished works, including without limitation all compilations, data bases and computer programs, materials and other documentation, licenses, internet domain names and other intellectual property rights and similar rights that are used or held for use in, or necessary for the conduct of, the business of the Company or its subsidiary as currently conducted and as proposed to be conducted in the Filed SEC Documents (collectively, the "Company Intellectual Property").

(b) No claim has been issued or served, or written threat of a claim or litigation made by any third party, against the Company or its subsidiary that alleges that any Company Intellectual Property is invalid or unenforceable. Neither the Company nor its subsidiary has received a notice (written or otherwise) that any material Company Intellectual Property has expired, terminated or been abandoned.

(c) Neither the Company nor its subsidiary have received any notice, written or otherwise, of any claim that any intellectual property owned or controlled by a third party has been infringed, misappropriated or otherwise violated by the conduct of the business of the Company or its subsidiary.

(d) There is no pending or, to the Company's knowledge, threatened, action, suit, proceeding or claim by others challenging the Company's or its subsidiary's rights in or to any Company Intellectual Property.

(e) Neither the Company nor its subsidiary have made a claim against a third party alleging that a third party is infringing or has infringed, is misappropriating or has misappropriated, or is violating or has violated, any Company Intellectual Property, , nor has the Company or its subsidiary received any written notice regarding any such alleged infringement, misappropriation or violation.

(f) Except for such actions that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect, the Company and its subsidiary have complied with the terms of each agreement pursuant to which Company Intellectual Property has been licensed to the Company or such subsidiary, and all such agreements are in full force and effect.

4.17 **Governmental and Regulatory Matters**. No employee or agent of the Company or its subsidiary has made an untrue statement of a material fact to any governmental authority with respect to any product of the Company or its subsidiary in any submission to such governmental authority or otherwise, or failed to disclose a material fact required to be disclosed to any governmental authority with respect to such product. Neither the Company nor its subsidiary has received any written notices or correspondence or other communications from, governmental authorities alleging or asserting material non-compliance with any applicable law. None of the Company, its subsidiary nor any of their respective officers, directors or employees is currently, or has been: (i) disqualified, debarred or voluntarily excluded by the United States Food & Drug Administration ("FDA") or any other governmental authority for any purpose, or received notice of action or threat of action with respect to debarment under the provisions of 21 U.S.C. §§ 335a, 335b, or 335c, 42 U.S.C. § 1320a-7, 45 C.F.R. Part 76 or any equivalent provisions in any other jurisdiction; (ii) subject to any other enforcement action involving the FDA or similar governmental authority in any other jurisdiction, including any suspension, consent decree, notice of criminal investigation, indictment, sentencing memorandum, plea agreement, court order or target or no-target letter, and none of the foregoing are pending, asserted or threatened against same; (iii) charged with or convicted for conduct relating to the development or approval, or otherwise relating to the regulation, of any drug product under the Generic Drug Enforcement Act of 1992, the FD&C Act or any other applicable law; (iv) convicted of any crime or engaged in any conduct for which such person could be excluded from participating in the federal health care programs under Section 1128 of the Social Security Act or any similar applicable law, or otherwise made ineligible to participate in U.S. federal or state health care programs, or any other relevant or analogous applicable law in any applicable jurisdictions; or (v) violated or caused a violation of any federal or state health care fraud and abuse or false claims statute or regulation, including, without limitation, the Medicare/Medicaid Anti-kickback provisions of the Social Security Act, 42 U.S.C. § 1320a-7b(b), and the relevant regulations in 42 C.F.R. Part 1001, or any other relevant or analogous applicable law in any applicable jurisdictions.

4.18 **Clinical Studies**. The preclinical studies and tests and clinical trials described in the Filed SEC Documents were, and, if still pending, are being conducted in all material respects in accordance with the experimental protocols, procedures and controls pursuant to, where applicable, accepted professional and scientific standards for products or product candidates comparable to those being developed by the Company; the descriptions of such studies, tests and trials, and the results thereof, contained in the Filed SEC Documents are accurate and complete in all material respects; and none of the Company's ongoing tests, studies or trials is subject to a clinical hold or requires termination, suspension or a material modification based on written notice or correspondence from the FDA or any foreign, state or local governmental authority exercising comparable authority or any institutional review board or comparable authority .

4.19 **No Disqualified Events**. None of the Company, any affiliated issuer, any director, executive officer, or any beneficial owner of twenty percent (20%) or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event.

4.20 **Employee Relations**. Except as disclosed in the Filed SEC Documents, no executive officer (as defined in Rule 501(f) promulgated under the Securities Act) has notified the Company or its subsidiary in writing that such executive officer intends to leave the Company or otherwise terminate such executive officer's employment with the Company or its subsidiaries. To the Company's knowledge, no executive officer of the Company or its subsidiary is in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, noncompetition agreement, or any other material agreement or any material restrictive covenant involving or otherwise affecting such executive officer's relationship with the Company or its subsidiary, and the continued employment of each such executive officer does not subject the Company or any of its subsidiaries to any material liability with respect to any of the foregoing matters. Neither the Company nor any of the subsidiaries is a party to any collective bargaining agreement nor does it employ any member of a union and there are no works councils or similar representative bodies within the Company or its subsidiary.

4.21 **Tax Matters**. The Company and its subsidiary have (A) timely prepared and filed all tax returns required to have been filed by them with all appropriate governmental authorities and (B) timely paid all taxes shown thereon or otherwise required to be paid by any of them and any other assessment, fine or penalty levied against any of them, except as currently being contested in good faith and for which adequate reserves have been created in the financial statements of the Company. The charges, accruals and reserves on the books of the Company in respect of taxes for all fiscal periods have been and are adequate, and there are no unpaid assessments against the Company or any of its subsidiaries nor any basis for the assessment of any additional taxes, penalties or interest for any fiscal period or audits by any federal, state or local taxing authority. All taxes and other assessments and levies that the Company or any of its subsidiaries is required to withhold or to collect for payment have been duly withheld and collected and paid to the proper governmental authority or third party when due, except as would not, individually or in the aggregate, have a Material Adverse Effect. There are no tax liens or claims pending or, to the Company's knowledge, threatened against the Company or any of its subsidiaries or any of their assets or properties. There are no tax audits ongoing of which the Company or any of its subsidiaries has received written notice.

4.22 **Disclosure**. The Company understands and confirms that the Purchaser will rely on the foregoing representations in effecting the purchase of the Shares. To the knowledge of the executive officers of the Company, all due diligence materials regarding the Company, its business and the transactions contemplated hereby, furnished by or on behalf of the Company to the Purchaser upon the Purchaser's request are, when taken together with the SEC Documents, true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

SECTION 5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PURCHASER.

5.1 **Representations and Warranties**. The Purchaser represents and warrants as of the Effective Date to, and covenants with, the Company as follows:

(a) The Purchaser is a validly existing corporation, limited partnership or limited liability company and has all requisite corporate, partnership or limited liability company power and authority to enter into and consummate the transactions contemplated by the Transaction Documents and to carry out its obligations hereunder and thereunder, and to purchase the Shares pursuant to this Agreement.

(b) The Purchaser acknowledges that it can bear the economic risk and complete loss of its investment in the Shares and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment contemplated hereby. The Purchaser has had an opportunity to receive, review and understand information related to the Company requested by it and to ask questions of and receive answers from the Company regarding the Company, its business and the terms and conditions of the offering of the Shares, and has conducted its own independent due diligence. The Purchaser acknowledges that the Company has made available the SEC Documents. Based on the information the Purchaser has deemed appropriate, including the SEC Documents, it has independently made its own analysis and decision to enter into the Transaction Documents. The Purchaser is relying on its own sources of information, investment analysis and due diligence (including professional advice it deems appropriate) with respect to the execution, delivery and performance of the Transaction Documents, the Shares and the business, condition (financial and otherwise), management, operations, properties and prospects of the Company, including but not limited to all business, legal, regulatory, accounting, credit and tax matters, and has received no representations with regard to the Company or its business, condition (financial and otherwise), management, operations, properties and prospects, except for those set forth in the Transaction Documents.

(c) The Shares will be acquired for the Purchaser's own account, not as nominee or agent, and not with a view to the resale or distribution of any part thereof in violation of the Securities Act, and the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same in violation of the Securities Act without prejudice, however, to the Purchaser's right at all times to sell or otherwise dispose of all or any part of such Shares in compliance with applicable federal, state and foreign securities laws. The Purchaser is not a broker-dealer registered with the Commission under the Exchange Act or an entity engaged in a business that would require it to be so registered. The Purchaser understands that the Shares are characterized as "restricted securities" under the U.S. federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances.

(d) The Purchaser is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act. The Purchaser has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Shares to be purchased hereunder.

(e) The execution, delivery and performance by the Purchaser of the Transaction Documents to which the Purchaser is a party have been, or as of the Closing Date, will have been, duly authorized and each has been or, as of the Closing Date, will have been, duly executed and when delivered will constitute the valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, subject to the Enforceability Limitations.

(f) The execution, delivery and performance by the Purchaser of the Transaction Documents and the consummation by the Purchaser of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of the Purchaser, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal, state and foreign securities laws) applicable to the Purchaser, except in the case of subsections (ii) and (iii) as would not materially and adversely affect the ability of the Purchaser to consummate the transactions required by the Transaction Documents.

(g) No third party will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser. Purchaser is not a broker or dealer registered pursuant to Section 15 of the Exchange Act (a "registered broker-dealer") and is not affiliated with a registered broker dealer. Purchaser is not party to any agreement for distribution of any of the Shares.

(h) The Purchaser shall have completed or caused to be completed and delivered to the Company no later than the Closing Date, the Purchaser Questionnaire, and the answers to the Purchaser Questionnaire are true and correct in all material respects as of the date of this Agreement and will be true and correct as of the Closing Date.

(i) The Purchaser has not taken any of the actions set forth in, and is not subject to, the disqualification provisions of Rule 506(d)(1) of the Securities Act.

(j) Other than pursuant to this Agreement, neither the Purchaser nor any of its Affiliates (as defined below) currently owns any interest greater than one percent (1%) in or has contracted to purchase any shares of Common Stock or any securities convertible into or exercisable or exchangeable for shares of Common Stock.

5.2 **Transfer Restrictions**.

(a) **Compliance with Laws**. Notwithstanding any other provision of this Agreement, the Purchaser covenants that the Shares may be disposed of only pursuant to (x) an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable foreign, state and federal securities laws and (y) in accordance with the terms of the Stockholder Agreement (for so long as the restrictions set forth therein shall remain in effect). During the Lock-up Period (as defined in the Stockholder Agreement), the Purchaser may not, without the consent of the Company, transfer the Shares to any Person, other than an Affiliate of the Purchaser. As a condition of transfer of any Shares to any such Affiliate, any such Affiliate (i) shall agree in writing to be bound by the terms of this Agreement, shall have the rights and obligations of the Purchaser under this Agreement as if such Affiliate were an original party hereto, and (ii) during the Lock-up Period, shall agree in writing to be bound by the Stockholder Agreement (unless otherwise agreed in writing by the Company). For the purposes hereof, "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 144. For purposes hereof, "Control" (including the terms "controlling," "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

(b) **Legends**. Each of the book entry notations evidencing the Shares shall bear any legend as required by the "Blue Sky" laws of any state and the restrictive legends in substantially the following form and substance, as applicable, until such time as they are not required under Section 5.2(c) (and a stock transfer order may be placed against transfer of the certificates for the Shares):

> THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION WHICH IS

EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND CERTAIN OTHER RESTRICTIONS, ALL AS SET FORTH IN THE STOCKHOLDER AGREEMENT BETWEEN GRITSTONE ONCOLOGY, INC. AND GILEAD SCIENCES, INC. ENTERED INTO PURSUANT TO THAT CERTAIN STOCK PURCHASE AGREEMENT, DATED AS OF JANUARY 29, 2021, BETWEEN GRITSTONE ONCOLOGY, INC. AND GILEAD SCIENCES, INC.

In addition, book entry notations representing the Shares may contain:

(i) Any legend required by the laws of the State of California, including any legend required by the California Department of Corporations.

(ii) Any legend required by the "Blue Sky" laws of any other state to the extent such laws are applicable to the sale of such Shares hereunder.

(c) **Removal of Legends**. The legends set forth in Section 5.2(b) above shall be removed and the Company shall issue or shall direct its transfer agent to issue a certificate without such legends or any other legend to the holder of the applicable Shares upon which it is stamped or issue to such holder by electronic delivery at the applicable balance account at the Depository Trust Company ("DTC"), if (A) such Shares have been or may be transferred in accordance with the terms of this Agreement and the Stockholder Agreement without restriction; and (B) (i) such Shares are sold or transferred pursuant to an effective registration statement covering the resale of such Shares by the Purchaser, (ii) such Shares are sold or transferred pursuant to Rule 144 (if the transferor is not an Affiliate of the Company), or (iii) such Shares are eligible for sale without any restrictions under Rule 144 (any Shares meeting such criteria being referred to as "Unrestricted Securities"). Following such time as a legend is no longer required for certain Shares, the Company will no later than two (2) Business Days (or such shorter time as may in the future be required pursuant to applicable law or regulation for the settlement of trades in securities on Nasdaq) following the delivery by the Purchaser to the Company or the Company's transfer agent of a certificate representing Shares and if such Shares are certificated, issued with a restrictive legend, together with such representations and covenants of the Purchaser or the Purchaser's executing broker as the transfer agent may reasonably require in connection therewith, deliver or cause to be delivered to the Purchaser a book entry position representing such shares that is free from any legend referring to the Securities Act. In lieu of delivering physical

certificates, upon the written request of the Purchaser, the Company shall use its commercially reasonable efforts to transmit certificates for Shares subject to full legend removal hereunder to the Purchaser by crediting the account of the transferee's Purchaser's prime broker with DTC through its Deposit Withdrawal Agent Commission ("DWAC") system, or any successor system thereto. The time periods for delivery shall apply to the electronic transmittals described herein. Any delivery not effected by electronic transmission shall be effected by delivery of physical certificates. The Purchaser agrees that (x) the removal of the restrictive legend referring to the Stockholder Agreement from any certificates representing Shares as set forth in this Section 5.2(c) is predicated upon either (A) a transfer of such Shares in compliance with the terms of this Agreement or the Stockholder Agreement or (B) the termination of the restrictions set forth in this Agreement or the Stockholder Agreement; and (y) the removal of the restrictive legend referring to the Securities Act from any certificates representing Shares as set forth in this Section 5.2(c) above is predicated upon the Company's reliance that the Purchaser would sell, transfer, assign, pledge, hypothecate or otherwise dispose of such Shares pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom.

5.3 **Restricted Shares**. The Purchaser understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such Shares may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, the Purchaser represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

SECTION 6. [RESERVED]

SECTION 7. [RESERVED]

SECTION 8. [RESERVED]

SECTION 9. BROKER'S FEES.

The Company and the Purchaser hereby represent that there are no other brokers or finders entitled to compensation, commissions, placement agent's fees or similar payments in connection with the sale of the Shares.

SECTION 10. ADDITIONAL AGREEMENTS OF THE PARTIES.

10.1 **Form D; Blue Sky Filings**. The Company agrees to timely file a Form D with respect to the Shares and to provide a copy thereof, promptly to the Purchaser, and the Company will timely file all other filings with the Commission that may be required by the Company in connection with the entrance into this Agreement and the offer and the sale of the Shares. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Shares for, sale to the Purchaser at the Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of the Purchaser.

10.2 **Integration**. The Company shall not, and shall use its reasonable best efforts to ensure that no affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would require the registration under the Securities Act of the sale of the Shares to the Purchaser, or that will be integrated with the offer or sale of the Shares for purposes of the rules and regulations of any trading market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

10.3 **Short Sales and Confidentiality After the Date Hereof**. The Purchaser covenants that neither it nor any Affiliates acting on its behalf or pursuant to any understanding with it will execute any Short Sales during the period from the date hereof until such time as after the transactions contemplated by this Agreement are first publicly announced. The Purchaser covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company in accordance with Section 10.4, the Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). The Purchaser understands and acknowledges that the Commission currently takes the position that coverage of short sales of shares of the Common Stock "against the box" prior to effectiveness of a resale registration statement with securities included in such registration statement would be a violation of Section 5 of the Securities Act, as set forth in Item 239.10 of the Securities Act Rules Compliance and Disclosure Interpretations compiled by the Office of Chief Counsel, Division of Corporation Finance.

10.4 **Securities Laws Disclosure; Publicity**. Neither party hereto will, and each party will cause its Affiliates not to, issue any other press release or other public statement disclosing the Transaction Documents, the activities hereunder or the transactions contemplated hereby, without first obtaining the other party's prior written consent; provided that, the Company shall issue a press release in the form attached as a schedule to the Collaboration Agreement in accordance therewith. Notwithstanding the foregoing, if a Party is required by the Commission or other Person to make a disclosure of the terms of this Agreement in a filing or other submission as required by the Commission or such other Person, in each case under applicable law, and such party has: (a) provided copies of the disclosure to the other party reasonably in advance under the circumstances of such filing or other disclosure; (b) promptly notified the other party in writing of such requirement and any respective timing constraints; and (c) given the other party reasonable time under the circumstances from the date of provision of copies of such disclosure to comment upon and request confidential treatment for such disclosure, then such party will have the right to make such disclosure at the time and in the manner reasonably determined by its counsel to be required by the Commission or such other Person. If the Company has complied with the provisions of this Section 10.4, on or before 9:00 A.M., New York City time, on the third trading day immediately following the execution of this Agreement, the Company will file a Current Report on Form 8-K (the "8-K") with the Commission describing the material terms of the Transaction Documents. Notwithstanding the foregoing, if a party seeks to make a disclosure as required by the Commission or other Person as may be required by applicable law as set forth in this Section 10.4 and the other party provides comments in accordance with this Section 10.4, the party seeking to make such disclosure or its counsel, as the case may be, will consider in good faith such comments.

10.5 **Further Assurances**. Prior to the Closing and subject to the terms and conditions of this Agreement, each of the parties shall execute such further documents and perform such further acts (including, without limitation, obtaining any consents, exemptions, authorizations or other actions by, or giving notices to, or making any filings with, any court or governmental agency, authority or body or any arbitrator, if necessary) as may be reasonably requested by the other party to fully implement the intent and purpose of this Agreement. Without limiting the generality of the foregoing, each party hereto will promptly notify the other of the receipt and content of any inquiries or requests for additional information made by any court or governmental agency, authority or body or any arbitrator in connection therewith and keep the other apprised on a prompt basis of the status of any such inquiry or request. Each party shall promptly inform the other party of any oral communication with, and provide copies of written communications with, any court or governmental agency, authority or body or any arbitrator regarding any such filings or any such transaction. Except as prohibited by law, no party shall independently participate in any meeting or conference call with any court or governmental agency, authority or body or any arbitrator in respect of any such filings, investigation, or other inquiry without giving the other party prior notice of the meeting and, to the extent permitted by such court or governmental agency, authority or body or any arbitrator, the opportunity to attend and/or participate.

SECTION 11. INDEMNIFICATION.

11.1 **Indemnification by the Company**. The Company agrees to indemnify and hold harmless the Purchaser and each Person, if any, who controls the Purchaser within the meaning of the Securities Act (each, an "Purchaser Indemnified Party"), against any losses, claims, damages, liabilities or expenses, joint or several, to which such Purchaser Indemnified Party may become subject, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof as contemplated below) arise out of or are based in whole or in part on (a) any inaccuracy in the representations and warranties of the Company contained in this Agreement or (b) breach of covenant or any failure of the Company to perform its obligations hereunder, and will reimburse each Purchaser Indemnified Party for any legal and other expenses reasonably incurred as such expenses are reasonably incurred by such Purchaser Indemnified Party in connection with investigating, defending, settling, compromising or paying such loss, claim, damage, liability, expense or action.

11.2 **Indemnification by Purchaser**. The Purchaser shall indemnify and hold harmless the Company, each of its directors, and each Person, if any, who controls or is under common control with the Company within the meaning of the Securities Act (the "Company Indemnified Parties"), against any losses, claims, damages, liabilities or expenses to which the Company, each of its directors may become subject insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof as contemplated below) arise out of or are based in whole or in part on (a) any inaccuracy in the representations and warranties of the Purchaser contained in this Agreement or (b) breach of covenant or any failure of the Purchaser to perform its obligations hereunder, and will reimburse the applicable Company Indemnified Parties for any legal and other expense reasonably incurred, as such expenses are reasonably incurred by any Company Indemnified Parties in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action.

SECTION 12. NOTICES.

All notices, requests, consents and other communications hereunder shall be in writing, shall be sent by confirmed electronic mail, or mailed by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, and shall be deemed given when so sent in the case of electronic mail transmission, or when so received in the case of mail or courier, and addressed as follows:

if to the Company, to:

Gritstone Oncology, Inc.
5959 Horton Street, Suite 300
Emeryville, California 94608
Attention: Rahsaan Thompson, General Counsel
Email: rthompson@gritstone.com

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
140 Scott Drive
Menlo Park, California 94025
Attention: Brian Cuneo
E-Mail: brian.cuneo@lw.com

or to such other person at such other place as the Company shall designate to the Purchaser in writing.

If to the Purchaser, to the following address, or at such other address or addresses as the Purchaser may designate to the Company in writing:

Gilead Sciences, Inc.
333 Lakeside Drive
Foster City, California 94404
Attn: General Counsel
Email: generalcounsel@gilead.com
with a copy (which shall not constitute notice) to:

Ropes & Gray LLP
1900 University Ave.
East Palo Alto, California 94303
Attention: Paul Scrivano, Amanda Austin, Sarah Young
Email: paul.scrivano@ropesgray.com, amanda.austin@ropesgray.com,
sarah.young@ropesgray.com

SECTION 13. MISCELLANEOUS.

13.1 **Waivers and Amendments**. Neither this Agreement nor any provision hereof may be changed, waived, discharged, terminated, modified or amended except upon the written consent of the Company and the Purchaser.

13.2 **Headings**. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be part of this Agreement.

13.3 **Severability**. In case any provision contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

13.4 **Replacement of Shares**. If the Shares are certificated and any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Company's transfer agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Company's transfer agent for any losses in connection therewith or, if required by the transfer agent, a bond in such form and amount as is required by the transfer agent. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Shares. If a replacement certificate or instrument evidencing any Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

13.5 **Specific Performance**. The parties hereto agree that irreparable damages would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms hereof, in addition to any other remedy to which the party may be entitled under applicable law.

13.6 **Governing Law**. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York applicable to agreements made and to be performed entirely in such state. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the County of New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

13.7 **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties. This Agreement may be executed and delivered by facsimile or .pdf transmission, or by electronic signatures or other electronic means (including DocuSign), and the execution and delivery of this Agreement by any of the foregoing means (including by one or more or a combination of the foregoing means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system.

13.8 **Successors and Assigns**. Without the prior written consent of the Company, the rights and obligations of the Purchaser under this Agreement may only be assigned to a transferee of the Shares that is an Affiliate of the Purchaser and only upon compliance with the transfer restrictions set out in Section 5.2 hereof. Without the consent of the Purchaser, the Company may not assign its rights and obligations under this Agreement. The provisions hereof shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the parties hereto.

13.9 **Entire Agreement**. This Agreement, the other Transaction Documents, and other documents delivered pursuant hereto, including the appendices, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

13.10 **Payment of Fees and Expenses**. Each of the Company and the Purchaser shall bear its own expenses and legal fees incurred on its behalf with respect to this Agreement and the transactions contemplated hereby.

13.11 **Survival**. The representations, warranties, covenants and agreements made in this Agreement shall survive any investigation made by the Company or the Purchaser and the Closing.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

GRITSTONE ONCOLOGY, INC.

By: /s/ Rahsaan Thompson
Name: Rahsaan Thompson
Title: Executive Vice President and General Counsel

[Signature Page to Stock Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

PURCHASER:

GILEAD SCIENCES, INC.

By: /s/ Andrew Dickinson
Name: Andrew Dickinson
Title: Executive Vice President and Chief Financial Officer

[Signature Page to Stock Purchase Agreement]

APPENDIX I

PURCHASER QUESTIONNAIRE

[*Attached*]

****

PURCHASER QUESTIONNAIRE

To: Gritstone Oncology, Inc.

This Purchaser Questionnaire ("*Questionnaire*") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value $0.0001 per share (the "*Securities*"), of Gritstone Oncology, Inc., a Delaware corporation (the "*Corporation*"). The Securities are being offered and sold by the Corporation without registration under the Securities Act of 1933, as amended (the "*Securities Act*"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(a)(2) of the Securities Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling the Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemptions from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. By signing this Questionnaire, you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Securities Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

PART A. BACKGROUND INFORMATION

Name of Beneficial Owner of the Securities:

Business Address:_____

(Number and Street)

City: _____ State: _____ Zip Code: _____

Telephone Number: _____

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: _____

State of formation: _____ Approximate Date of formation: _____

Were you formed for the purpose of investing in the securities being offered? Yes ☐ No ☐

If an individual:

Residence Address: _____

(Number and Street)

City: _____ State: _____ Zip Code: _____

Telephone Number: _____

Age: _____ Citizenship: _____ Where registered to vote: _____

Set forth in the space provided below the state(s), if any, in the United States in which you maintained your residence during the past two years and the dates during which you resided in each state:

Are you a director or executive officer of the Corporation? Yes ☐ No ☐

Social Security or Taxpayer Identification No.: _____

PART B. ACCREDITED INVESTOR QUESTIONNAIRE

In order for the Corporation to offer and sell the Securities in conformance with state and federal securities laws, the following information must be obtained regarding your investor status. Please initial each category applicable to you as a purchaser of Securities of the Corporation.

☐ (1) A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity;

☐ (2) A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*");

☐ (3) An insurance company as defined in Section 2(a)(13) of the Securities Act;

☐ (4) An investment adviser company registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state;

☐ (5) an investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940;

☐ (6) An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that act;

☐ (7) A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

☐ (8) A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000;

☐ (9) An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

☐ (10) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

☐ (11) An organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities, with total assets in excess of $5,000,000;

☐ (12) A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of investing in the Corporation;

☐ (13) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds $1,000,000 (exclusive of the value of that person's primary residence);

☐ (14) A natural person who had an individual income in excess of $200,000 in each of the two most recent years, or joint income with that person's spouse in excess of $300,000, in each of those years, and has a reasonable expectation of reaching the same income level in the current year;

☐ (15) An executive officer or director of the Corporation;

☐ (16) An entity in which all of the equity owners qualify under any of the above subparagraphs. If the undersigned belongs to this investor category only, list the equity owners of the undersigned, and the investor category which each such equity owner satisfies.

PART C. BAD ACTOR QUESTIONNAIRE

1. During the past ten years, have you been convicted of any felony or misdemeanor that is related to any securities matter?

Yes ☐ (If yes, please continue to Question 1.a)

No ☐ (If no, please continue to Question 2)

a) If your answer to Question 1 was "yes", was the conviction related to: (i) the purchase or sale of any security; (ii) the making of any false filing with the Securities and Exchange Commission (the "*SEC*"); or (iii) the conduct of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

Yes ☐ No ☐

2. Are you subject to any court injunction or restraining order entered during the past five years that is related to any securities matter?

Yes ☐ (If yes, please continue to Question 2.a)

No ☐ (If no, please continue to Question 3)

a) If your answer to Question 2 was "yes", does the court injunction or restraining order currently restrain or enjoin you from engaging or continuing to engage in any conduct or practice related to: (i) the purchase or sale of any security; (ii) the making of any false filing with the SEC; or (iii) the conduct of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

Yes ☐ No ☐

3. Are you subject to any final order[1] of any governmental commission, authority, agency or officer[2](2) related to any securities, insurance or banking matter?

Yes ☐ (If yes, please continue to Question 3.a)

No ☐ (If no, please continue to Question 4)

a) If your answer to Question 3 was "yes":

i) Does the order currently bar you from: (i) associating with an entity regulated by such commission, authority, agency or officer; (ii) engaging in the business of securities, insurance or banking; or (iii) engaging in savings association or credit union activities?

Yes ☐ No ☐

ii) Was the order (i) entered within the past ten years and (ii) based on a violation of any law or regulation that prohibits fraudulent, manipulative or deceptive conduct?

Yes ☐ No ☐

4. Are you subject to any SEC disciplinary order?[3](3)

Yes ☐ (If yes, please continue to Question 4.a)

No ☐ (If no, please continue to Question 5)

a) If your answer to Question 4 was "yes", does the order currently: (i) suspend or revoke your registration as a broker, dealer, municipal securities dealer or investment adviser; (ii) place limitations on your activities, functions or operations; or (iii) bar you from being associated with any particular entity or class of entities or from participating in the offering of any penny stock?

5. Are you subject to any SEC cease and desist order entered within the past five years?

Yes ☐ (If yes, please continue to Question 5.a)

No ☐ (If no, please continue to Question 6)

a) If your answer to Question 5 was "yes", does the order currently require you to cease and desist from committing or causing a violation or future violation of (i) any knowledge- based anti-fraud provision of the U.S. federal securities laws[4] or (ii) Section 5 of the Securities Act?

Yes ☐ No ☐

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1 A "final order" is defined under Rule 501(g) as a written directive or declaratory statement issued by a federal or state agency described in Rule 506(d)(1)(iii) under applicable statutory authority that provides for notice and an opportunity for a hearing, and that constitutes a final disposition or action by such federal or state agency.

2 You may limit your response to final orders of: (i) state securities commissions (or state agencies/officers that perform a similar function); (ii) state authorities that supervise or examine banks, savings associations or credit unions; (iii) state insurance commissions (or state agencies/officers that perform a similar function); (iv) federal banking agencies; (v) the U.S. Commodity Futures Trading Commission; or (vi) the U.S. National Credit Union Administration.

3 You may limit your response to disciplinary orders issued pursuant to Sections 15(b) or 15B(c) of the Exchange Act or Section 203(e) or (f) of the Investment Advisers Act of 1940 (the "*Advisers Act*").

4 Including (but not limited to) Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, Section 15(c)(1) of the Exchange Act, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder.

6. Have you been suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association?

Yes ☐ (If yes, please describe the basis of any such suspension or expulsion and any related details in the space provided under Question 10 below)[5]

No ☐ (If no, please continue to Question 7)

7. Have you registered a securities offering with the SEC, made an offering under Regulation A or been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC?

Yes ☐ (If yes, please continue to Question 7.a)

No ☐ (If no, please continue to Question 8)

a) If your answer to Question 7 was "yes":

i) During the past five years, was any such registration statement or Regulation A offering statement the subject of a refusal order, stop order or order suspending the Regulation A exemption?

Yes ☐ No ☐

ii) Is any such registration statement or Regulation A offering statement currently the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?

Yes ☐ No ☐

8. Are you subject to a U.S. Postal Service false representation order entered within the past five years?

Yes ☐ No ☐

9. Are you currently subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the U.S. Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations?

Yes ☐ No ☐

10. In the space provided below, describe any facts or circumstances that caused you to answer "yes" to any Question (indicating the corresponding Question number). Attach additional pages if necessary.

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5 In providing additional information, please explain whether or not the suspension or expulsion resulted from "any act or omission to act constituting conduct inconsistent with just and equitable principles of trade."

A. FOR EXECUTION BY AN INDIVIDUAL:

By: _____

Print Name: _____

_____
Date

B. FOR EXECUTION BY AN ENTITY:

Entity Name: _____

By: _____

Print Name: _____

Title: _____

_____
Date

C. ADDITIONAL SIGNATURES (if required by partnership, corporation or trust document):

Entity Name: _____

By: _____

Print Name: _____

Title: _____

_____
Date

Entity Name: _____

By: _____

Print Name: _____

Title: _____

_____
Date

APPENDIX II

FORM OF STOCKHOLDER AGREEMENT

[*Attached*]

[SEE EXHIBIT 10.2]

APPENDIX III

FORM OF CROSS RECEIPT

Gritstone Oncology, Inc. hereby acknowledges receipt from Gilead Sciences, Inc. on January 29, 2021 of $30,000,000, representing the purchase price for 1,169,591 shares of Common Stock, par value $0.0001 per share, of Gritstone Oncology, Inc., pursuant to that certain Stock Purchase Agreement, dated as of the date hereof, by and between Gilead Sciences, Inc. and Gritstone Oncology, Inc.

GRITSTONE ONCOLOGY, INC.

Name:
Title:

Gilead Sciences, Inc. hereby acknowledges receipt from Gritstone Oncology, Inc. on January 29, 2021 of 1,169,591 shares of Common Stock, par value $0.0001 per share, of Gritstone Oncology, Inc., delivered pursuant to that certain Stock Purchase Agreement, dated as of the date hereof, by and between Gilead Sciences, Inc. and Gritstone Oncology, Inc.

GILEAD SCIENCES, INC.

Name:
Title:

APPENDIX IV

FORM OF OPINION OF LATHAM & WATKINS LLP

[INTENTIONALLY OMITTED]

Exhibit 10.2

EXECUTION VERSION

STOCKHOLDER AGREEMENT

by and between

GRITSTONE ONCOLOGY, INC.

and

GILEAD SCIENCES, INC.

Dated as of January 29, 2021

STOCKHOLDER AGREEMENT

THIS STOCKHOLDER AGREEMENT (this "**Agreement**"), dated as of January 29, 2021, is by and between Gritstone Oncology, Inc., a Delaware corporation (the "**Company**") and Gilead Sciences, Inc., a Delaware corporation (the "**Investor**").

RECITALS

WHEREAS, pursuant to the Stock Purchase Agreement, dated as of the date hereof, by and between the Company and the Investor (as such agreement may be amended from time to time, the "**Stock Purchase Agreement**"), the Investor agreed to purchase from the Company, and the Company agreed to issue to the Investor, an aggregate of 1,169,591 shares of Common Stock upon the terms and conditions therein;

WHEREAS, in connection with the transactions contemplated by the Stock Purchase Agreement, the Company and the Investor wish to define certain rights granted to the Investor on the terms and conditions set out in this Agreement; and

NOW, THEREFORE, in consideration of the recitals and the mutual premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used and not otherwise defined herein that are defined in the Stock Purchase Agreement shall have the meanings given such terms in the Stock Purchase Agreement. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

"**Advice**" shall have the meaning set forth in Section 12(d).

"**Affiliate**" means as to any specified Person, any other Person directly or indirectly controlling or controlled by or under common control with such specified Person. For purposes of this definition, "**control**," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "**controlling**," "**controlled by**" and "**under common control with**" have correlative meanings.

"**Agreement**" as defined in the Preamble.

"**Beneficially Owned**" and "**Beneficially Owns**" has the meaning specified in Rule 13d-3 promulgated under the Exchange Act.

"**Board**" means the Board of Directors of the Company.

"**Business Day**" as defined in the Stock Purchase Agreement.

"**Closing**" as defined in the Stock Purchase Agreement.

"**Closing Date**" as defined in the Stock Purchase Agreement.

"**Collaboration Agreement**" as defined in the Stock Purchase Agreement.

"**Commission**" means the U.S. Securities and Exchange Commission and any successor agency performing comparable functions.

"**Common Stock**" means the common stock, par value $0.0001 per share, of the Company.

"**Company**" as defined in the Preamble.

"**Company Capitalization**" means, as of any date of measurement, the total number of outstanding shares of voting capital stock of the Company.

"**Effectiveness Date**" means: (a) with respect to the Initial Registration Statement required to be filed hereunder, the date that is the 30th day following the date on which the Initial Registration Statement is filed (or the 60th day following the date on which the Initial Registration Statement in the event the Initial Registration Statement is reviewed by the Commission) and (b) with respect to any additional Registration Statements which may be required pursuant to Section 2, the 60th day following the date on which the Company first knows, or reasonably should have known, that such additional Registration Statement is required under such Section (or the 90th day following such date in the event such additional Registration Statement is reviewed by the Commission). If the Effectiveness Date falls on a Saturday, Sunday or other date that the Commission is closed for business, the Effectiveness Date shall be extended to the next day on which the Commission is open for business.

"**Effectiveness Period**" shall have the meaning set forth in Section 2(a).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, as the same shall be in effect from time to time.

"**Fall-Away Event**" as defined in Section 8.

"**Governmental Authority**" means any regional, federal, state or local legislative, executive or judicial body or agency, any court of competent jurisdiction, any department, political subdivision or other governmental authority or instrumentality, or any arbitral authority, in each case, whether domestic or foreign.

"**Hedging Transaction**" as defined in Section 9(b).

"**Holder**" or "**Holders**" means the holder or holders, as the case may be, from time to time of Registrable Securities.

"**Indemnified Party**" shall have the meaning set forth in Section 6(c).

"**Indemnifying Party**" shall have the meaning set forth in Section 6(c).

"**Initial Registration Statement**" shall mean the initial Registration Statement required to be filed to cover the resale by the Holders of the Registrable Securities pursuant to Section 2(a).

"**Investor**" as defined in the Preamble.

"**Lock-Up Period**" means the period commencing on the Closing Date and ending on the two (2) year anniversary of such Closing Date.

"**Losses**" shall have the meaning set forth in Section 6(a).

"**Person**" means an individual, a corporation, a partnership, a joint venture, a limited liability company or limited liability partnership, an association, a trust, estate or other fiduciary or any other legal entity, and any Governmental Authority.

"**Proceeding**" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Prospectus**" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A or Rule 430B promulgated by the Commission pursuant to the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"**Reduction Securities**" shall have the meaning set forth in Section 2(b).

"**Registrable Securities**" means (i) the Shares issued pursuant to the Stock Purchase Agreement and (ii) any other shares of Common Stock issued as (or issuable upon conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, in exchange for or in replacement of the Shares; provided, however, that any such Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) for so long as (a) a Registration Statement with respect to the sale of such Registrable Securities is declared effective by the Commission under the Securities Act and such Registrable Securities have been disposed of by the Holder in accordance with such effective Registration Statement, (b) such Registrable Securities have been previously sold or transferred in accordance with Rule 144, or (c) such securities become eligible for resale without volume or manner-of-sale restrictions and without current public information pursuant to Rule 144, as reasonably determined by the Company, upon the advice of counsel to the Company.

"**Registration Statement**" means each of the following: (i) an initial registration statement which is required to register the resale of the Registrable Securities, and (ii) each additional registration statement, if any, contemplated by Section 2, and including, in each case, the Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"**Rule 144**" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Rule 415**" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Rule 424**" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Securities Act**" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, as the same shall be in effect from time to time.

"**Shares**" shall have the meaning set forth in the Stock Purchase Agreement.

"**Standstill Cap**" means, during the Standstill Period, the number shares of voting capital stock of the Company which is less than or equal to 19.9% of the outstanding shares. For the avoidance of doubt, the Standstill Cap shall only apply during the Standstill Period.

"**Standstill Period**" as defined in Section 8.

"**Stockholder**" means the Investor or any transferee to whom the Investor has transferred Registrable Securities in accordance with the Stock Purchase Agreement and to whom registration rights are assigned in accordance with Section 12(b)0, in each case that is a holder of Registrable Securities.

"**Trading Day**" means any day on which the Common Stock is traded on the Nasdaq Global Select Market, or, if the Nasdaq Global Select Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded.

"**Transaction Documents**" shall mean the Stock Purchase Agreement, this Agreement and the Collaboration Agreement.

"**Underwritten Offering**" means an offering registered under the Securities Act in which securities of the Company are sold to one or more underwriters on a firm-commitment basis for reoffering to the public, and the plan of distribution contemplates a customary "road show" (including an "electronic road show") or other substantial marketing effort by the Company and the underwriters.

2. Registration.

(a) To the extent Registrable Securities are outstanding, within 15 Trading Days following the expiration of the Lock-Up Period, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities that are not then registered on an existing and effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415. The Registration Statement filed hereunder shall be on Form S-3 (except if the Company is not then eligible to register for resale the Registrable Securities on Form S-3, in which case such registration shall be on another appropriate form in accordance herewith) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the "Plan of Distribution" in substantially the form attached hereto as Annex A (which may be modified to respond to comments, if any, provided by the Commission). The Company shall use its commercially reasonable efforts to cause a Registration Statement filed under this Agreement to be declared effective under the Securities Act promptly but, in any event, no later than the Effectiveness Date for such Registration Statement, and shall, subject to Section 12(d) hereof, use its commercially reasonable efforts to keep the Registration Statement continuously effective under the Securities Act until the earlier of (i) the date that is three years after the effectiveness of the Registration Statement and (ii) the date on which all securities under such Registration Statement have ceased to be Registrable Securities (the "**Effectiveness Period**"). Notwithstanding the foregoing, the Company shall be entitled to suspend the effectiveness of the Registration Statement at any time prior to the expiration of the Effectiveness Period for up to an aggregate of 30 consecutive Trading Days or an aggregate of 60 Trading Days (which need not be consecutive) in any given 360-day period, if the Company determines (and the Chief Executive Officer or Chief Financial Officer of the Company certifies in writing to the Purchaser) that the continued effectiveness of the Registration Statement during the applicable period will be materially detrimental to the Company. In the event of any suspension as aforesaid, the Effectiveness Period of the applicable Registration Statement will be extended by the number of Trading Days in the Effectiveness Period during which the Registration Statement was suspended. It is agreed and understood that the Company shall, from time to time, be obligated to file one or more additional Registration Statements to cover any Registrable Securities which are not registered for resale pursuant to a pre-existing Registration Statement. In connection with the preparation and filing of a Registration Statement, the Purchaser (or Holder(s), as applicable) shall, deliver to the Company such information, including a selling stockholder questionnaire, as may be reasonably requested by the Company to prepare and file the Registration Statement.

(b) Notwithstanding anything contained herein to the contrary, in the event that the Commission limits the amount of Registrable Securities that may be included and sold by Holders in any Registration Statement, including the Initial Registration Statement, pursuant to Rule 415 or any other basis, the Company may reduce the number of Registrable Securities included in such Registration Statement on behalf of the Holders in whole or in part (in case of an exclusion as to a portion of such Registrable Securities, such portion shall be allocated pro rata among such Holders first in proportion to the respective numbers of Registrable Securities represented by Shares requested to be registered by each such Holder over the total amount of Registrable Securities represented by Shares) (such Registrable Securities, the "**Reduction Securities**"). In such event, the Company shall give the Holders prompt written notice of the number of such Reduction Securities excluded and the Company will not be liable for any damages under this Agreement in connection with the exclusion of such Reduction Securities. The

Company shall use its commercially reasonable efforts at the first opportunity that is permitted by the Commission to register for resale the Reduction Securities. Such new Registration Statement shall be on Form S-3 (except if the Company is not then eligible to register for resale the Reduction Securities on Form S-3, in which case such registration shall be on another appropriate form for such purpose) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the "Plan of Distribution" in substantially the form attached hereto as Annex A (which may be modified to respond to comments, if any, provided by the Commission). The Company shall use its commercially reasonable efforts to cause each such Registration Statement to be declared effective under the Securities Act as soon as possible but, in any event, no later than the Effectiveness Date, and shall use its commercially reasonable efforts to keep such Registration Statement continuously effective under the Securities Act during the entire Effectiveness Period, subject to Section 12(d) hereof. Notwithstanding the foregoing, the Company shall be entitled to suspend the effectiveness of such Registration Statement at any time prior to the expiration of the Effectiveness Period for an aggregate of no more than 30 consecutive Trading Days or an aggregate of 60 Trading Days (which need not be consecutive) in any given 360-day period.

3. Registration Procedures. In connection with the Company's registration obligations hereunder, the Company shall:

(a) Not less than three Trading Days prior to the filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto, furnish to the Holders copies of all such documents proposed to be filed (other than those incorporated by reference). Notwithstanding the foregoing, the Company shall not be required to furnish to the Holders any prospectus supplement being prepared and filed solely to name new or additional selling securityholders unless such Holders are named in such prospectus supplement. In addition, in the event that any Registration Statement is on Form S-1 (or other form which does not permit incorporation by reference), the Company shall not be required to furnish to the Holders any prospectus supplement containing information included in a report or proxy statement filed under the Exchange Act that would be incorporated by reference in such Registration Statement if such Registration Statement were on Form S-3 (or other form which permits incorporation by reference). The Company shall duly consider any comments made by Holders and received by the Company not later than two Trading Days prior to the filing of the Registration Statement, but shall not be required to accept any such comments to which it reasonably objects.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to each Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement continuously effective as to the applicable Registrable Securities for its Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement, and as so supplemented or amended to be filed pursuant to Rule 424; (iii) respond as promptly as reasonably possible to any comments received from the Commission with respect to each Registration Statement or any amendment thereto; and (iv) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the Registration Statements and the disposition of all Registrable Securities covered by each Registration Statement.

(c) Notify the Holders as promptly as reasonably possible (and, in the case of (i)(A) below, not less than three Trading Days prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than one Trading Day following the day: (i)(A) when a Prospectus or any prospectus supplement (but only to the extent notice is required under Section 3(a) above) or post-effective amendment to a Registration Statement is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Company shall, solely to the extent such comments relate to the Holders as selling stockholder or the Plan of Distribution, provide true and complete copies thereof and all written responses thereto to each of the Holders that pertain to the Holders as a selling stockholder; for purposes of clarity the Company shall have no obligation to provide any information that it reasonably believes would constitute material and non-public information); and (C) with respect to each Registration Statement or any post-effective amendment, when the same has been declared effective; (ii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to the Holders as selling stockholders or the Plan of Distribution; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) of the occurrence of any event or passage of time that makes the financial statements included or incorporated by reference in a Registration Statement ineligible for inclusion or incorporation by reference therein or any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to such Registration Statement, Prospectus or other documents so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that the Company believes may be material and that, in the determination of the Company, makes it not in the best interest of the Company to allow continued availability of a Registration Statement or Prospectus; provided, that any and all of such information shall remain confidential to each Holder until such information otherwise becomes public, unless disclosure by a Holder is required by law.

(d) Use its reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(e) Furnish to each Holder, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent reasonably requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; provided, that the Company shall have no obligation to provide any document pursuant to this clause that is available on the EDGAR system.

(f) Promptly deliver to each Holder, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such Persons may reasonably request. Subject to Section 12(d) hereof, the Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(g) Prior to any public offering of Registrable Securities, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of those jurisdictions within the United States as any Holder reasonably requests in writing to keep each such registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statements; provided, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or subject the Company to any material tax in any such jurisdiction where it is not then so subject.

(h) Cooperate with the Holders to facilitate the timely preparation and delivery of certificates or book-entry statements representing Registrable Securities to be delivered to a transferee pursuant to the Registration Statements, which certificates or book-entry statements shall be free, to the extent permitted by the Stock Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request.

(i) The Company may require each selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and any Affiliate thereof, the natural persons thereof that have voting and dispositive control over the shares and any other information with respect to such Holder as the Commission requests.

4. Holder's Obligations. Each Holder agrees, by acquisition of the Registrable Securities, that no Holder shall be entitled to sell any of such Registrable Securities pursuant to a Registration Statement or to receive a Prospectus relating thereto, unless such Holder has furnished the Company with all material information reasonably requested in writing by the Company to prepare and file the Registration Statement, including a selling stockholder questionnaire. Any sale of any Registrable Securities by any Holder pursuant to a Prospectus delivered by such Holder shall constitute a representation and warranty by such Holder that the information regarding such Holder is as set forth in such Prospectus, and that such Prospectus does not as of the time of such sale contain any untrue statement of a material fact regarding such Holder or omit to state any material fact regarding such Holder necessary to make the statements in such Prospectus, in the light of the circumstances under which they were made, not misleading, solely to the extent such facts are based upon information regarding such Holder furnished in writing to the Company by such Holder for use in such Prospectus.

5. Registration Expenses. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Agreement (excluding any underwriting discounts and selling commissions) shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (A) with respect to filings required to be made with the Principal Market on which the Common Stock is then listed for trading, and (B) in compliance with applicable state securities or Blue Sky laws), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities and of printing prospectuses if the printing of prospectuses is reasonably requested by the holders of a majority of the Registrable Securities included in the Registration Statement), (iii) messenger, telephone and delivery expenses, (iv) reasonable fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) reasonable fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holders. To the extent that underwriting discounts and selling commissions are incurred in connection with the sale of Registrable Securities in an Underwritten Offering hereunder, such underwriting discounts and selling commissions shall be borne by the Holders of Registrable Securities sold pursuant to such Underwritten Offering, pro rata on the basis of the number of Registrable Securities sold on their behalf in such Underwritten Offering.

6. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless each Holder, the officers, directors, agents, partners, members, stockholders and employees of each Holder, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, agents, partners, members, stockholders and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable costs of preparation and reasonable attorneys' fees) and expenses (collectively, "**Losses**"), as incurred, arising out of or relating to any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose), or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case

of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (1) such untrue statements, alleged untrue statements, omissions or alleged omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (2) in the case of an occurrence of an event of the type specified in Section 3(c)(ii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing (in accordance with Section 12(g) below) that the Prospectus is outdated or defective and prior to the receipt by such Holder of an Advice (as defined below) or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding of which the Company is aware in connection with the transactions contemplated by this Agreement.

(b) Indemnification by Holders. Each Holder shall, notwithstanding any termination of this Agreement, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents, partners, members, stockholders or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising solely out of or based solely upon: (x) for so long as the Company is not a eligible to use Form S-3 under the Securities Act for a primary offering in reliance on General Instruction I.B.1 of such form and the prospectus delivery requirements of the Securities Act apply to sales by such Holder, such Holder's failure to comply with the prospectus delivery requirements of the Securities Act or (y) any untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto, or arising solely out of or based solely upon any omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading to the extent, but only to the extent that, (1) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (2) in the case of an occurrence of an event of the type specified in Section 3(c)(ii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing (in accordance with Section 12(g) below) that the Prospectus is outdated or defective and prior to the receipt by such Holder of an Advice or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "**Indemnifying Party**") in writing, and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof; provided, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have proximately and materially adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses; (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that a conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and such counsel shall be at the expense of the Indemnifying Party); provided, that the Indemnifying Party shall not be liable for the fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties pursuant to this Section 6(c). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement (x) includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding and (y) does not include an admission of fault, culpability or failure to act, by or on behalf of any Indemnified Party, or require forms of relief other than the payment of monetary damages by the Indemnifying Party. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

All fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within 10 Trading Days of written notice thereof to the Indemnifying Party (regardless of whether it is ultimately determined that an Indemnified Party is not entitled to indemnification hereunder; provided, that the Indemnifying Party may require such Indemnified Party to undertake to reimburse all such fees and expenses to the extent it is finally judicially determined that such Indemnified Party is not entitled to indemnification hereunder).

(d) Contribution. If a claim for indemnification under Section 6(a) or 6(b) is unavailable to an Indemnified Party (by reason of public policy or otherwise), then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in Section 6(c), any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 6(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 6(d), no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreements contained in this Section 6 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties and are not in diminution or limitation of the indemnification provisions under the Stock Purchase Agreement.

7. Compliance With Rule 144 And Rule 144a. For so long as the Company is subject to the report requirements of Section 13 or 15(d) of the Exchange Act, the Company shall take such measures and file such information, documents and reports as shall be required by the Commission as a condition to the availability of Rule 144 or Rule 144A (or any successor provisions) under the Securities Act.

8. Standstill. During the period beginning on the Closing Date and ending on the earlier of (x) the eighteen (18) month anniversary thereof and (y) a Fall-Away Event (such period, the "**Standstill Period**"), neither the Stockholder nor any of its controlled Affiliates shall, directly or indirectly, without the prior written consent of a majority of the members of the Board who are not affiliated with the Stockholder:

(a) effect, offer or propose (whether publicly or otherwise) to effect, or publicly announce any intention to effect or cause:

(i) any acquisition of shares of Common Stock or any acquisition of the right to direct the voting or disposition of shares of Common Stock, if after giving effect to such acquisition the Stockholder or any of Affiliates own a number of shares of Common Stock in excess of the Standstill Cap, in each case, whether or not any of the foregoing may be acquired or obtained immediately or only after the passage of time or upon the satisfaction of one or more conditions pursuant to any agreement, arrangement or understanding;

(ii) any tender or exchange offer, merger, consolidation, business combination, or sale of substantially all of the assets of the Company;

(iii) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or any of its subsidiaries;

(iv) any "solicitation" of "proxies" (as such terms are used in Regulation 14A of the Exchange Act) or consents to vote any voting securities of the Company, or become a "participant" in any "election contest" (as such terms are defined in Rule 14a-11 of the Exchange Act) or propose, or solicit stockholders of the Company for the approval of, any stockholder proposals with respect to the Company;

(b) with the actual knowledge of the Stockholder's executive officers, enter into any substantive discussions or arrangements with any third party with respect to any of the foregoing; provided that, in relation to prohibited actions in Sections 8(a)(ii) or (a)(iii) that have been committed without the actual knowledge of the Stockholder's executive officers, the Stockholder shall promptly terminate and unwind such actions upon written request of the Company; or

(c) publicly disclose any intention, plan or arrangement regarding any of the matters referred to in this Section 8 (unless legally obligated to do so);

provided that, that nothing in this Section 8 is intended to (X) restrict the Stockholder's right to vote its shares of Common Stock or otherwise in its discretion on matters brought to a vote of the stockholders of the Company, or (Y) restrict the activities of the Stockholder or the discussions among the representatives of the Company and the Stockholder, in each case, as contemplated by the Collaboration Agreement.

The provisions of Section 8 shall be inoperative and of no force or effect with respect to the Stockholder and its Affiliates if (i) any other person or "group" (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934) shall announce or have entered into a definitive agreement with the Company for a transaction that, after consummation thereof, the then-current stockholders of the Company cease to own seventy-five percent (75%) or more of the total voting power (without giving effect to any overlapping shareholdings), or seventy-five percent (75%) or more of the consolidated total assets, of the Company or any successor entity or parent entity or resulting entity, (ii) a tender or exchange offer is made by any other person or group to acquire fifty percent (50%) or more of the outstanding voting securities of the Company and the Board fails to recommend to its stockholders rejection of such tender or exchange offer within ten (10) Business Days of commencement thereof or recommends acceptance of such tender or exchange offer, (iii) the Company issues to any person or group, or any person or group acquires or comes to own, in each case, securities representing fifty percent (50%) or more of the total voting power of the Company, (iv) the Company publicly announces that it has commenced a formal process to explore strategic alternatives, (v) the Board (or any duly constituted committee) shall have determined in good faith, after consultation with outside legal counsel, that the failure to waive, limit, amend or otherwise modify the "standstill" or similar provisions the Company has agreed to with any other person or group, would be reasonably likely to be inconsistent with the fiduciary duties of the Company's directors under applicable law, or (vi) the Company enters into a voluntary or involuntary bankruptcy or insolvency process (any such event, a "**Fall-Away Event**"). Notwithstanding anything to the contrary in this Agreement, the Stock Purchase Agreement, the Collaboration Agreement or any other agreement between the Company, on the one hand, and the Stockholder on the other hand, from and after the occurrence of a Fall-Away Event or any expiration of Section 8, no other provisions of this Agreement, the Stock Purchase Agreement, the Collaboration Agreement or any other agreement between the Company, on the one hand, and the Stockholder on the other hand will be interpreted to prevent or restrict such the Stockholder from proposing, pursuing or executing a business combination transaction, or from taking any of the actions described in Section 8, or from taking any actions in furtherance thereof, with respect to the Company. Nothing in Section 8 shall prohibit the Stockholder from communicating with the Company for a non-public proposal regarding a transaction or an amendment or waiver of Section 8 in such a manner as would not reasonably be expected to require public disclosure thereof under applicable law.

9. Lock-Up. During the Lock-up Period, neither the Stockholder nor any of its Affiliates shall, directly or indirectly, without the prior written consent of a majority of the members of the Board who are not affiliated with the Stockholder:

(a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, or otherwise transfer or dispose of any Registrable Securities or any securities convertible into or exercisable or exchangeable for Registrable Securities, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition (collectively, the "**Lock-Up Securities**");

(b) enter into any swap or any other hedging transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities (a "**Hedging Transaction**"), whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise; or

(c) publicly announce any intention to do any of the foregoing.

provided that, the foregoing shall not prohibit the Stockholder or its Affiliates from transferring Lock-Up Securities to an Affiliate of the Stockholder if such transferee executes an agreement with the Company to bound by the provisions of Section 8, Section 9 and Section 10. The restrictions of this Section 9 shall cease to apply if a Fall-Away Event occurs.

10. Market Stand-Off. For so long as the Collaboration Agreement is in effect, the Stockholder agrees that upon a written request of the Company or the underwriters managing any Underwritten Offering of the Company's securities, in which case, the Company shall provide notice on behalf of the underwriters pursuant to Section 12(e), it will (i) not offer, sell, contract to sell, loan, grant any option to purchase, make any short sale or otherwise dispose of, hedge or transfer any of the economic interest in (or offer, agree or commit to do any of the foregoing) any shares of Common Stock, or any options or warrants to purchase any shares of Common Stock, or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock, whether now owned or hereinafter acquired by such holder, owned directly (including holding as a custodian) or with respect to which such holder has beneficial ownership within the rules and regulations of the Commission (other than those included by such holder in the offering in question, if any) without the prior written consent of the Company or such underwriters, as the case may be, for up to fourteen (14) days prior to, and during the ninety (90) day period following, the effective date of the registration statement for such Underwritten Offering, and (ii) enter into and be bound by such form of agreement with respect to the foregoing as the Company or such managing underwriter may reasonably request; provided that each executive officer and director of the Company also agrees to substantially similar restrictions.

11. Freedom to Pursue Opportunities. The parties expressly acknowledge and agree that except as set forth in the Collaboration Agreement (i) the Stockholder and each of its Affiliates has the right to, and shall have no duty (contractual or otherwise) not to, directly or indirectly engage in the same or similar business activities or lines of business as the Company or any of its subsidiaries, on its own account or in partnership with, or as an employee, officer, director or stockholder of, any other Person, including those lines of business deemed to be competing with the Company or any of its subsidiaries, (ii) none of the Company or any of its subsidiaries shall have any rights in and to the business ventures of the Stockholder or any of its Affiliates, or the income or profits derived therefrom (other than in its capacity as a stockholder of the Company), and (iii) in the event that the Stockholder or any of its Affiliates acquires knowledge of a potential transaction or matter that may be an opportunity for the Company, neither the Stockholder nor any of its Affiliates shall have any duty (contractual or otherwise) to communicate or present such opportunity to the Company, any of its subsidiaries and, notwithstanding any provision of this Agreement to the contrary, shall not be liable to the Company, any of its subsidiaries (or any of their respective Affiliates) for breach of any duty (contractual or otherwise) by reason of the fact that the Stockholder or any of its Affiliates, directly or indirectly, pursues or acquires such opportunity for itself, directs such opportunity to another Person or does not present such opportunity to the Company, any of its subsidiaries; *provided* that the foregoing shall not be deemed to amend or modify the terms of the Collaboration Agreement.

12. Miscellaneous.

(a) Amendments and Waivers. Any amendment, modification, supplement or restatement of this Agreement must be effected by written agreement of the Company and the Holder or Holders (as applicable) of no less than a majority of the then outstanding Registrable Securities. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

(b) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each party, including subsequent Holders of Registrable Securities acquired in accordance with the Stock Purchase Agreement; provided, however, that such assignee of the Investor executes and delivers to the Company a counterpart to this Agreement whereby it agrees to be bound by the terms of the Agreement.

(c) Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and shall not be utilized in interpreting this Agreement.

(d) Discontinued Disposition. Each Holder agrees by its acquisition of such Registrable Securities that, upon receipt of a written notice from the Company of the occurrence of an any event of the kind described in Section 3(c), such Holder will forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder's receipt of the copies of the supplemented Prospectus and/or amended Registration Statement or until it is advised in writing (the "**Advice**") by the Company that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement. The Company may provide appropriate stop orders to enforce the provisions of this paragraph.

(e) Notices. Any notice or communication by the Company or the Stockholder is duly given if in writing and delivered in person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the recipient's address:

If to the Company:

Gritstone Oncology, Inc.
5959 Horton Street, Suite 300
Emeryville, California 94608
Attention: Rahsaan Thompson, General Counsel
Email: rthompson@gritstone.com

with a copy to (which shall not constitute notice):

Latham & Watkins LLP
140 Scott Drive
Menlo Park, California 94025

Attention: Brian Cuneo
E-Mail: brian.cuneo@lw.com

If to the Investor:

Gilead Sciences, Inc.
333 Lakeside Drive
Foster City, California 94404
Attn: General Counsel
Email: generalcounsel@gilead.com

with a copy (not constituting notice) to:
Ropes & Gray LLP
1900 University Ave.
East Palo Alto, California 94303
Attention: Paul Scrivano, Amanda Austin, Sarah Young
Email: paul.scrivano@ropesgray.com, amanda.austin@ropesgray.com, sarah.young@ropesgray.com

The Company or the Stockholder, by notice to the other parties hereto, may designate additional or different addresses for subsequent notices or communications. All notices and communications will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery. If a notice or communication is mailed, transmitted or sent in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

(f) Governing Law; Waiver of Jury Trial. (i) All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York applicable to agreements made and to be performed entirely in such state. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the County of New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

(ii) EACH PARTY HERETO WAIVES ITS RIGHT TO TRIAL OF ANY ISSUE BY JURY. Each party hereto (a) certifies that no representative or attorney of any other party has represented, expressly or otherwise, that such party would not, in the event of any action, seek to enforce the foregoing waiver and (b) acknowledges that it and the other party have been induced to enter into this Agreement, by, among other things, the mutual waiver and certifications in this Section 12(f).

(g) Remedies. Each of the parties hereto acknowledges and agrees that in the event of any breach of this Agreement by any of them, the non-breaching party would be irreparably harmed and could not be made whole by monetary damages. Each party accordingly agrees to waive the defense in any action for specific performance that a remedy at law would be adequate and that the parties, in addition to any other remedy to which they may be entitled at law or in equity, shall be entitled to compel specific performance of this Agreement.

(h) Further Assurances. Each of the parties hereto will, without additional consideration, execute and deliver such further instruments and take such other action as may be reasonably requested by any other party hereto in order to carry out the purposes and intent of this Agreement. Each Holder shall furnish in writing to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it, as shall be reasonably requested by the Company to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request.

(i) Termination of Registration Rights. For the avoidance of doubt, it is expressly agreed and understood that in the event that there are no Registrable Securities outstanding, all registration rights granted to the Holders hereunder, shall terminate in their entirety effective on the first date on which there shall cease to be any Registrable Securities outstanding.

(j) No Presumption Against Drafter. Each of the parties hereto has jointly participated in the negotiation and drafting of this Agreement. In the event there arises any ambiguity or question or intent or interpretation with respect to this Agreement, this Agreement shall be construed as if drafted jointly by all of the parties hereto and no presumptions or burdens of proof shall arise favoring any party by virtue of the authorship of any of the provisions of this Agreement.

(k) Severability. If any provision of this Agreement (or any portion thereof) or the application of any such provision (or any portion thereof) to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a Governmental Authority, such invalidity, illegality or unenforceability shall not affect any other provision hereof (or the remaining portion thereof) or the application of such provision to any other persons or circumstances. Upon such determination that any provision of this Agreement (or any portion thereof) or the application of any such provision (or any portion thereof) to any Person or circumstance is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

(l) Entire Agreement. This Agreement, together with the other agreements referred to herein, constitute the entire agreement of the parties with respect to the subject matter hereof and supersede and shall supersede all prior agreements and understandings (whether written or oral) between the parties, or any of them, with respect to the subject matter hereof.

(m) Execution in Counterparts. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or .pdf transmission, or by electronic signatures or other electronic means (including DocuSign), and the execution and delivery of this Agreement by any of the foregoing means (including by one or more or a combination of the foregoing means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system.

(n) No Third Party Beneficiaries. Except as provided in Section 9 and Section 10, nothing in this Agreement is intended or shall be construed to give any Person, other than the parties hereto, their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

[Remainder of page intentionally left blank; Signature pages follow.]

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

GILEAD SCIENCES, INC.

By: /s/ Andrew Dickinson
Name: Andrew Dickinson
Title: Executive Vice President and Chief Financial Officer

[Signature Page to Stockholder Agreement]

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

GRITSTONE ONCOLOGY, INC.

By: /s/ Rahsaan Thompson
Name: Rahsaan Thompson
Title: Executive Vice President and General Counsel

[Signature Page to Stockholder Agreement]

ANNEX A

PLAN OF DISTRIBUTION

The selling stockholders and any of their pledgees, donees, transferees, assignees or other successors-in-interest may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices. The selling stockholders may use one or more of the following methods when disposing of the shares or interests therein:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- through brokers, dealers or underwriters that may act solely as agents;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- through the writing or settlement of options or other hedging transactions entered into after the effective date of the registration statement of which this prospectus is a part, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of disposition; and
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares under Rule 144 under the Securities Act of 1933, as amended, or Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved.

The selling stockholders may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell shares of common stock from time to time under this prospectus, or under a supplement or amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

Upon being notified in writing by a selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, we will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of each such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction. In addition, upon being notified in writing by a selling stockholder that a donee or pledge intends to sell more than 500 shares of common stock, we will file a supplement to this prospectus if then required in accordance with applicable securities law.

The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

In connection with the sale of the shares of common stock or interests in shares of common stock, the selling stockholders may enter into hedging transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of common stock short after the effective date of the registration statement of which this prospectus is a part and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions after the effective date of the registration statement of which this prospectus is a part with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling stockholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The maximum commission or discount to be received by any member of the Financial Industry Regulatory Authority (FINRA) or independent broker-dealer will not be greater than 8% of the initial gross proceeds from the sale of any security being sold.

We have advised the selling stockholders that they are required to comply with Regulation M promulgated under the Securities Exchange Act of 1934, as amended, during such time as they may be engaged in a distribution of the shares. The foregoing may affect the marketability of the common stock.

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

We are required to pay all fees and expenses incident to the registration of the shares. We have agreed to indemnify the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act or otherwise.

We have agreed with the selling stockholders to keep the registration statement of which this prospectus constitutes a part effective until the earlier of (a) such time as all of the shares covered by this prospectus have been disposed of pursuant to and in accordance with the registration statement or (b) the date on which the shares of common stock covered by this prospectus may be sold or transferred by non-affiliates without any volume limitations or pursuant to Rule 144 of the Securities Act.