

**AMALGAMATION AGREEMENT**  
**BETWEEN**  
**EUROTIN INC.,**  
**2555663 ONTARIO LIMITED**  
**AND**  
**2848302 ONTARIO INC.**

**July 13, 2021**

## TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION.....	2
1.1 Definitions.....	2
1.2 Interpretation Not Affected by Headings, etc. ....	9
1.3 Number, etc. ....	10
1.4 Date for Any Action.....	10
1.5 Currency .....	10
1.6 Knowledge .....	10
1.7 Meanings .....	10
1.8 Language .....	10
ARTICLE 2 AMALGAMATION .....	10
2.1 Amalgamation and Resulting Issuer Securities.....	10
2.2 Amalco .....	11
2.3 Resulting Issuer .....	12
2.4 Effect of Certificate of Amalgamation.....	13
2.5 Manner of Exchange of Issued Securities .....	13
2.6 Certificates .....	14
2.7 Fractional Securities.....	15
2.8 U.S. Securities Law Restrictive Legend.....	15
ARTICLE 3 COVENANTS .....	16
3.1 Covenants of Eurotin.....	16
3.2 Further Covenants of Eurotin.....	17
3.3 Covenants of Li-Metal .....	19
3.4 Further Covenants of Li-Metal.....	20
3.5 Listing Statement.....	21
ARTICLE 4 REPRESENTATIONS AND WARRANTIES.....	22
4.1 Representations and Warranties of Eurotin.....	22
4.2 Representations and Warranties of Li-Metal .....	27
ARTICLE 5 CONDITIONS PRECEDENT AND OTHER MATTERS .....	31
5.1 Conditions to Obligations of Li-Metal.....	31
5.2 Conditions to Obligations of Eurotin .....	34
5.3 Merger of Conditions .....	35
ARTICLE 6 NOTICES.....	35
6.1 Notices.....	35

ARTICLE 7 AMENDMENT AND TERMINATION OF AGREEMENT .....	36
7.1 Amendment .....	36
7.2 Rights of Termination .....	37
7.3 Notice of Unfulfilled Conditions.....	37
ARTICLE 8 GENERAL .....	38
8.1 Entire Agreement .....	38
8.2 Binding Effect .....	38
8.3 Waiver and Modification .....	38
8.4 No Personal Liability .....	38
8.5 Assignment.....	38
8.6 Confidentiality.....	39
8.7 Costs.....	39
8.8 Time of Essence .....	39
8.9 Survival .....	39
8.10 Governing Law .....	40
8.11 Severability.....	40
8.12 Further Assurances .....	40
8.13 Counterparts and Electronic Copies .....	40

## AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT made as of the 13<sup>th</sup> day of July, 2021.

**BETWEEN:**

**EUROTIN INC.**, a company existing under the laws of the Province of Ontario (hereinafter called “**Eurotin**”)

**OF THE FIRST PART**

- and -

**2555663 Ontario Limited (d.b.a. Li-Metal)**, a company existing under the laws of the Province of Ontario (hereinafter called “**Li-Metal**”)

**OF THE SECOND PART**

- and -

**2848302 Ontario Inc.**, a company existing under the laws of the Province of Ontario (hereinafter called “**Eurotin Subco**”)

**OF THE THIRD PART**

**WHEREAS** Li-Metal and Eurotin are parties to a non-binding letter of intent dated March 24, 2021 (the “**Letter of Intent**”) whereby they agreed to pursue a business combination;

**AND WHEREAS** Li-Metal and Eurotin have agreed to structure the business combination contemplated in the Letter of Intent by way of a three-cornered amalgamation in accordance with the provisions of the *Business Corporations Act* (Ontario);

**AND WHEREAS** the parties are entering into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to the proposed amalgamation;

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that in consideration of the above premises and of the covenants, agreements, representations and warranties hereinafter contained, the parties hereto agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms shall have the meanings hereinafter set forth:

“**Agreement**”, “**this Agreement**”, “**herein**”, “**hereby**”, “**hereof**”, “**hereunder**” and similar expressions mean or refer to this agreement and any amendments hereto.

“**Amalco**” means the amalgamated corporation to be constituted upon the completion of the Amalgamation, to be named “Li-Metal North America Inc.”.

“**Amalco Shares**” means the common shares in the capital of Amalco.

“**Amalgamation**” means the amalgamation of Li-Metal and Eurotin Subco pursuant to Section 174 of the OBCA provided for herein to form Amalco to be effective at the Effective Time.

“**Articles of Amalgamation**” means the Articles of Amalgamation with respect to the Amalgamation.

“**Assessment**” has the meaning ascribed thereto in Section 3.2(f).

“**Assets and Properties**” with respect to any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise, and, in each case, wherever situated), including the goodwill related thereto, operated, owned or leased by or in the possession of such Person.

“**associate**” and “**affiliate**” have the respective meanings ascribed thereto in the *Securities Act* (Ontario).

“**Auditors**” means such firm of chartered professional accountants as a company may from time to time appoint as independent auditors of such company.

“**Business Day**” means any day other than a Saturday or Sunday or a day when banks in the city of Toronto, Ontario are not generally open for business.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Certificate of Amalgamation**” means the certificate of amalgamation for the Amalgamation issued pursuant to Section 178 of the OBCA.

“**Closing**” means the completion of the Amalgamation.

“**Closing Date**” means the date of the Closing, which shall be within three Business Days following the later of the satisfaction or waiver of all conditions precedent to the

Amalgamation or such other date as Li-Metal and Eurotin may collectively agree, acting reasonably.

“**Confidential Information**” means any information concerning a party to this Agreement (the “**Disclosing Party**”) or its business, properties or assets made available to another party or its representatives (the “**Receiving Party**”); provided that it does not include information which (i) is generally available to the public other than as a result of improper disclosure by the Receiving Party, or (ii) is obtained by the Receiving Party from a source other than the Disclosing Party, provided that (to the reasonable knowledge of the Receiving Party) such source was not bound by a duty of confidentiality to the Disclosing Party or another party with respect to such information.

“**Contract**” means all agreements, contracts or commitments of any nature, written or oral, including, for greater certainty and without limitation, leases, purchase agreements, manufacturing, supply and distribution agreements, loan documents and security documents.

“**CSE**” means the Canadian Securities Exchange.

“**Debt Instrument**” means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money.

“**Director**” has the meaning ascribed thereto in the OBCA.

“**Disclosing Party**” has the meaning ascribed thereto in the definition of “**Confidential Information**”.

“**Disclosure Documents**” has the meaning ascribed thereto in Section 4.1(e).

“**Disclosure Letter**” means the disclosure letter dated the date of this Agreement and delivered by Li-Metal to Eurotin concurrently with this Agreement.

“**Effective Date**” means the effective date of the Amalgamation, which shall be the date of filing of the Certificate of Amalgamation.

“**Effective Time**” means the effective time of the Amalgamation on the Effective Date, being the time of filing the Articles of Amalgamation, or such other time specified in the Articles of Amalgamation.

“**Encumbrance**” means any charge, mortgage, hypothecation, lien, pledge, claim, restriction, security interest or other encumbrance whether created or arising by agreement, statute or otherwise pursuant to any applicable law, attaching to property, interests or rights and shall be construed in the widest possible terms and principles known under the laws applicable to such property, interests or rights and whether or not they constitute specific or floating charges as those terms are understood under the laws of the Province of Ontario.

“**Eurotin**” has the meaning ascribed thereto in the recitals to this Agreement.

“**Eurotin Common Shares**” means the common shares in the capital of Eurotin.

**“Eurotin Consolidation”** means a consolidation of the outstanding Eurotin Common Shares on the basis of one post-consolidation Eurotin Common Share for such number of pre-consolidation Eurotin Common Shares so that there are 2,000,000 post-consolidation Eurotin Common Shares outstanding immediately prior to the completion of the Amalgamation.

**“Eurotin Debt Conversion”** means the repayment of outstanding debt and loan payables of Eurotin in the aggregate amount of approximately \$2,000,000 (or such lesser or greater amount as determined by Eurotin and agreed to by Li-Metal, acting reasonably) through the issuance to the holders of the debt and loan payables of approximately 133,333,333 (or such lesser or greater amount as determined by Eurotin and agreed to by Li-Metal, acting reasonably) pre-consolidation Eurotin Common Shares at a price of CDN\$0.015 per pre-consolidation Eurotin Common Share.

**“Eurotin Material Contract”** has the meaning ascribed thereto in Section 4.1(q).

**“Eurotin Meeting”** means the annual and special meeting of holders of Eurotin Common Shares to approve, among other things, the Eurotin Meeting Matters, held on June 3, 2021.

**“Eurotin Meeting Matters”** means the following matters:

- (a) the election of Eurotin’s current directors until the earlier of (i) the close of the next annual meeting of shareholders of Eurotin, and (ii) the Effective Time;
- (b) the election of the directors set out in Section 2.3(c) from the Effective Time until the close of the next annual meeting of shareholders of Eurotin;
- (c) the re-appointment of Eurotin’s current Auditor as the Auditor of Eurotin until the close of the next annual meeting of shareholders of Eurotin, and the authorization of the board of directors of Eurotin to fix the remuneration thereof;
- (d) the approval of the Eurotin Consolidation;
- (e) the approval of the Eurotin Debt Conversion;
- (f) the approval of the Eurotin Name Change;
- (g) the approval of Eurotin’s TSX Venture stock option plan;
- (h) the approval of Eurotin’s CSE stock option plan (the **“New Stock Option Plan”**); and
- (i) the de-listing of Eurotin from the TSX Venture.

**“Eurotin Name Change”** means the change in name from “Eurotin Inc.” to “Li-Metal Corp.”.

**“Eurotin Shareholders’ Approval”** means the approval of the Eurotin Meeting Matters by the holders of Eurotin Common Shares at the Eurotin Meeting.

“**Eurotin Subco**” has the meaning ascribed thereto in the recitals to this Agreement.

“**Governmental Entity**” means and includes any domestic or foreign federal, provincial, regional, state, municipal or other government, governmental department, agency, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authorities.

“**Governmental Licenses**” has the meaning ascribed thereto in Section 4.2(1).

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board, as applicable in Canada.

“**Indebtedness**” of any Person means all obligations of such Person:

- (a) for borrowed money;
- (b) evidenced by notes, bonds, debentures or similar instruments;
- (c) for the deferred purchase price of goods or services (other than trade payables or accruals incurred in the ordinary course of business);
- (d) under capital and operating leases;
- (e) under “vendor take-back” financing or deferred payments in connection with any acquisition; or
- (f) which are guarantees of the obligations described in clauses (a) through (e) above of any other Person if secured by any or all of the Assets and Properties of the guarantor.

“**Intellectual Property**” means, collectively, all domestic and foreign intellectual property rights which pertain to the business of Li-Metal as it is currently conducted and contemplated of whatsoever nature, kind or description including all: (i) patent rights and utility model rights, whether registered or not; (ii) unregistered trade-marks, registered trade-marks, trade names, brand names, trade dress, logos, slogans, certification marks, other trade-mark rights and the goodwill associated with any of the foregoing; (iii) copyright and moral rights, whether registered or not; (iv) industrial designs, whether registered or not; (v) integrated circuit topographies, whether registered or not; (vi) mask works, whether registered or not; (vii) applications, registrations, renewals, continuations, extensions, divisions, reissuances, modifications, developments and extensions of any of the items listed in clauses (i) through (vi) above; (viii) trade secrets and proprietary and confidential information including patterns, plans, designs, research data, other proprietary know-how, processes, drawings, technology, inventions, formulae, specifications, performance data, quality control information, unpatented blue prints, flow sheets, equipment and parts lists, instructions, manuals, records and procedures; (ix) all intranets, extranets, domain names, website names, URLs, as well as all website design and content; (x) rights in and to any computer programs and other software including any of their



versions, updates, upgrades, object and source codes, any improvement and related documentation together with all translations thereof; and (xi) all licenses, sublicenses, agreements and other contracts and commitments related to any of the foregoing.

“**Leased Premises**” means the premises which are material to a Person and which such Person occupies as a tenant.

“**Letter of Intent**” has the meaning ascribed thereto in the first recital of this Agreement.

“**Li-Metal**” has the meaning ascribed thereto in the recitals to this Agreement.

“**Li-Metal Business**” means the business conducted by Li-Metal of developing technology and products related to the production of lithium metal, metallic lithium battery anodes, and related components of batteries.

“**Li-Metal Class A Common Shares**” means the Class A common shares in the capital of Li-Metal.

“**Li-Metal Class B Common Shares**” means the Class B common shares in the capital of Li-Metal.

“**Li-Metal Convertible Debentures**” means the issued and outstanding convertible debentures of Li-Metal in the aggregate principal amount of \$3,000,000 convertible into Li-Metal Class B Common Shares or Resulting Issuer Common Shares and Resulting Issuer Warrants, as applicable.

“**Li-Metal Financial Statements**” means the audited annual financial statements of Li-Metal for the financial year ended December 31, 2020 and 2019, prepared in accordance with IFRS and the unaudited (reviewed) interim financial statements of Li-Metal for the three-month period ended March 31, 2021 prepared in accordance with IFRS, together with such other financial statements of Li-Metal (if any) as may be required to be included in the Listing Statement.

“**Li-Metal Options**” means the issued and outstanding options to purchase Li-Metal Class B Common Shares held by management, employees, advisors and consultants of Li-Metal.

“**Li-Metal Private Placement**” means the non-brokered private placement by Li-Metal of Li-Metal Subscription Receipts for gross proceeds of up to \$7,500,000.

“**Li-Metal Shareholders’ Approval**” means the approval of the shareholders of Li-Metal of, among other things, the Amalgamation.

“**Li-Metal Shares**” means collectively, the Li-Metal Class A Common Shares and the Li-Metal Class B Common Shares.

“**Li-Metal Subscription Receipts**” means the subscription receipts of Li-Metal issued in connection with the Li-Metal Private Placement. Each Li-Metal Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder, one unit of Li-Metal, each unit consisting of 0.2123 Li-

Metal Class B Common Shares and 0.2123 Li-Metal Warrants, subject to adjustment. Each 0.2123 Li-Metal Class B Common Shares will be exchanged for one Resulting Issuer Common Share and each 0.2123 Li-Metal Warrants will be adjusted pursuant to the terms of the Warrant Indenture so that each holder thereof will be entitled to acquire one Resulting Issuer Warrant for each 0.2123 Li-Metal Warrants previously held.

**“Li-Metal Warrants”** means the Li-Metal Class B Common Share purchase warrants of Li-Metal that will be adjusted pursuant to the terms of the Warrant Indenture so that each holder thereof will be entitled to acquire Resulting Issuer Warrants, upon completion of the Amalgamation.

**“Licensed Intellectual Property”** has the meaning ascribed thereto in Section 4.2(p).

**“Listing Statement”** means the listing statement of Li Metal Corp. in the form prescribed by the CSE pertaining to the Amalgamation and listing of the Resulting Issuer Common Shares on the CSE.

**“Material Adverse Change”** or **“Material Adverse Effect”** with respect to Li-Metal or Eurotin, as the case may be, means any fact, effect, change, event, occurrence, or any development involving a change, that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flows, income or business operations of Li-Metal or Eurotin, as the case may be, and as a going concern, other than any change or effect resulting from (i) general business or economic conditions, including changes in (A) financial or credit market conditions anywhere in the world, (B) interest rates or currency exchange rates or (C) trade agreements, tariffs, anti-dumping actions, or other trade actions; (ii) conditions generally affecting any of the industries in which Li-Metal or Eurotin operate; (iii) acts of God or other calamities, national or international political or social actions, including (A) the results of any election, (B) the engagement by any country or foreign organization in hostilities (or the escalation thereof), whether commenced before or after the date hereof, and whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack and (C) any public health emergency, widespread occurrences of infectious diseases, epidemic, pandemic or disease outbreak, or changes in actual pandemics (including COVID-19), any Governmental Entity or public health authority’s response to any actual epidemics or pandemics (including any government mandated shutdown, restrictions on travel or requirement to shelter at home), any loss of customers, suppliers, orders or contracts in connection with any actual epidemics or pandemics, or the spread of infectious diseases affecting the business of Li-Metal or Eurotin; (iv) changes in law or accounting standards or interpretations thereof; (v) failure of Li-Metal or Eurotin to meet sales, earnings, budgets, plans, forecasts or other financial or non-financial projections or estimates (provided, any change, event, or development underlying such failure may be taken into account if not otherwise excluded under the other subclauses of this definition); (vi) the execution, announcement, performance or pendency of, or the taking of any action contemplated by, or other third party awareness of, this Agreement or the agreements or transactions contemplated hereby; or except in the case of clauses (i), (ii) and (iii) to the extent Li-Metal or Eurotin are materially and disproportionately adversely affected thereby as compared to other companies in the industries in which Li-Metal or Eurotin operate.

“**OBCA**” means the *Business Corporations Act* (Ontario), as from time to time amended or re-enacted and includes any regulations heretofore or hereafter made pursuant thereto.

“**Outside Time**” means 9:00 a.m. on the date that is 90 days after the date of this Agreement, or such later date as the parties may agree upon in writing.

“**Owned Intellectual Property**” has the meaning ascribed thereto in Section 4.2(p).

“**Person**” shall be broadly interpreted and shall include any individual, corporation, firm, sole proprietorship, syndicate, unincorporated organization, trustee, partnership, joint venture, association, trust or other legal entity.

“**Purchasers**” means the Persons who, as purchasers, acquire the Li-Metal Subscription Receipts by duly completing, executing and delivering the Subscription Agreements.

“**Receiving Party**” has the meaning ascribed thereto in the definition of “**Confidential Information**”.

“**Resulting Issuer**” means Eurotin as it will exist upon completion of the Amalgamation to be known as “Li-Metal Corp.”.

“**Resulting Issuer Common Shares**” means common shares in the capital of the Resulting Issuer, including such common shares of the Resulting Issuer to be issued upon completion of the Amalgamation.

“**Resulting Issuer Options**” means options to purchase Resulting Issuer Common Shares that will be issued in exchange for Li-Metal Options upon completion of the Amalgamation.

“**Resulting Issuer Registrar and Transfer Agent**” means TSX Trust Company and any other Person which may be appointed as registrar and transfer agent of the Resulting Issuer Common Shares from time to time.

“**Resulting Issuer Warrants**” means the common share purchase warrants of the Resulting Issuer, each Resulting Issuer Warrant being exercisable for a Resulting Issuer Common Share at the Canadian dollar equivalent price of \$1.50 per Resulting Issuer Common Share that shall expire after two years following the Closing Date, and having an expiry date acceleration feature that is triggered once the Resulting Issuer Common Shares trade at or above the Canadian dollar equivalent price of \$3.50 for five consecutive Business Days. For greater certainty, the exercise price of the warrants and the price at which the acceleration feature is triggered shall be denominated in Canadian dollars according to the U.S./Canadian exchange rate as reported by the Bank of Canada on the close of business the day before the Closing Date.

“**Securities Laws**” means all applicable securities laws, the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, multilateral and national instruments, orders, blanket rulings, notices and other regulatory instruments of the securities regulatory authorities in applicable jurisdictions having the force of law, including the rules and published policies of the CSE.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Spanish Litigation Matter**” means a criminal complaint filed by the company known as Quercus Exploration and Mining SA (QEM) against Minas de Estaño de Extremadura, SL (MESEX), Eurotin, Stannico Resources Inc., Minas de Estaño de España, SL (MESPA), and Mark Wellings, Peter Miller and Eduardo Olarte on July 15, 2020 claiming damages related to the sale of certain mining research licences by MESEX to the company known as Jesampa 2018.

“**Subscription Agreements**” means the subscription agreements in the forms agreed upon by Li-Metal and Eurotin pursuant to which Purchasers agree to subscribe for and purchase the Li-Metal Subscription Receipts and shall include, for greater certainty, all schedules and exhibits thereto.

“**Subscription Receipt Agreement**” means the subscription receipt agreement among Li-Metal, Eurotin and TSX Trust Company entered into in connection with the Li-Metal Private Placement.

“**Taxes**” means all taxes (including income tax, sales tax, value add tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto.

“**Termination Date**” means the date of termination of this Agreement in accordance with Section 7.2.

“**TSX Venture**” means the TSX Venture Exchange Inc.

“**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

“**U.S. Person**” means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

“**Warrant Indenture**” means the warrant indenture among Li-Metal, Eurotin and TSX Trust Company entered into in connection with the Li-Metal Private Placement.

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into articles, sections and subsections is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein”, and “hereunder” and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto.

### **1.3 Number, etc.**

Words importing the singular number shall include the plural and vice versa, words importing the use of any gender shall include all genders and words importing persons shall include firms and corporations and vice versa.

### **1.4 Date for Any Action**

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day such action shall be required to be taken on the next succeeding day which is a Business Day.

### **1.5 Currency**

References to “\$” in this Agreement refer to lawful money of the United States.

### **1.6 Knowledge**

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Li-Metal shall be the actual knowledge of Tim Johnson and Maciej Jastrzebski having made due inquiry. Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Eurotin shall be the actual knowledge of Mark Wellings having made due inquiry.

### **1.7 Meanings**

Words and phrases defined in the OBCA shall have the same meaning herein as in the OBCA, unless otherwise defined herein or the context otherwise requires. Unless otherwise specifically indicated or the context otherwise requires “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”.

### **1.8 Language**

The parties to this Agreement expressly request and require that this Agreement and all related documents be drafted in English. *Les parties aux présentes conviennent et exigent que cette convention et tous les documents qui s’y rattachent soient rédigés en anglais.*

## **ARTICLE 2 AMALGAMATION**

### **2.1 Amalgamation and Resulting Issuer Securities**

On or before the Closing Date, subject to the terms and conditions of this Agreement and receipt of necessary approvals, each of Li-Metal, Eurotin and Eurotin Subco shall take all steps required of it to complete the Amalgamation and, without limitation, use all reasonable efforts to apply for and obtain all consents, orders or approvals as are necessary or desirable for the implementation (i) of the Amalgamation and the filing of the Articles of Amalgamation with the Director pursuant to the OBCA; (ii) for the listing of the Resulting Issuer Common Shares on the CSE (including the Resulting Issuer Common

Shares to be issued in exchange for the Li-Metal Shares pursuant to the Amalgamation); and (iii) the issuance of the Resulting Issuer Warrants and Resulting Issuer Options.

## 2.2 Amalco

- (a) **Name.** The name of Amalco shall be “Li-Metal North America Inc”.
- (b) **Registered Office.** The registered office of Amalco shall be situated at 333 Bay Street, Suite 2400, Toronto, Ontario, M5H 2T6.
- (c) **Authorized Capital.** Amalco shall be authorized to issue an unlimited number of Amalco Shares.
- (d) **Restrictions on Share Transfer.** The transfer of Amalco Shares shall be subject to private company restrictions.
- (e) **Number of Directors.** The minimum number of directors of Amalco shall be one and the maximum number of directors of Amalco shall be 10.
- (f) **Initial Directors.** The initial number of directors of Amalco shall be two. The initial directors of Amalco shall be:

**Name**

Maciej Jastrzebski

Carlos Pinglo

- (g) **Officers.** The officers of Amalco, until changed or added to by the board of directors of Amalco, shall be as follows:

**Name**

**Office**

Maciej Jastrzebski      President

Carlos Pinglo              Chief Financial Officer and Secretary

- (h) **Initial Auditors.** The Auditors of Amalco shall be Grant Thornton LLP. The Auditors of Amalco shall hold office until the first annual meeting of shareholders of Amalco following the Amalgamation, or until their successor is appointed.
- (i) **Fiscal Year.** The fiscal year end of Amalco shall be March 31.
- (j) **Restrictions on Business.** There shall be no restrictions on the business that Amalco may carry on.

- (k) **By-laws.** The by-laws of Amalco shall be the current by-laws of Li-Metal. A copy of such by-laws may be examined at the current address of Li-Metal set out in Section 6.1 hereof.

### 2.3 Resulting Issuer

- (a) **Name.** The name of the Resulting Issuer shall be “Li-Metal Corp.”.
- (b) **Registered Office.** The registered office of the Resulting Issuer shall be 333 Bay Street, Suite 2400, Toronto, Ontario, M5H 2T6.
- (c) **Initial Directors.** The number of initial directors of the Resulting Issuer shall be five. Subject to the receipt of all necessary approvals, the initial directors of the Resulting Issuer as of the Effective Date shall be:

<u>Name</u>	<u>Address</u>
Mark Wellings	2 Highland Ave., Toronto, ON, M4W 2A3
Tim Johnston	306-21 Lawren Harris Square, Toronto, ON, M5A 1H7
Maciej Jastrzebski	2475 Queen St. E., Toronto, ON, M4E 1H8
Anthony Tse	8B Tower 7, Mayfair by the Sea, Fo Chun Road, Tai Po, New Territories, Hong Kong
Ernie Ortiz	561 10 <sup>th</sup> Avenue, New York, NY, 10036

The initial directors shall hold office until the next annual meeting of the shareholders of the Resulting Issuer, or until their successors are duly appointed or elected.

- (d) **Officers.** The officers of the Resulting Issuer, until changed or added to by the board of directors of the Resulting Issuer, shall be as follows:

<u>Name</u>	<u>Office</u>
Maciej Jastrzebski	Chief Executive Officer
Carlos Pinglo	Chief Financial Officer
Dean Frankel	Chief Commercial Officer

- (e) **Initial Auditors.** The Auditors of the Resulting Issuer shall be Grant Thornton LLP. The Auditors of the Resulting Issuer shall hold office until the next annual meeting of shareholders of the Resulting Issuer following the Amalgamation or until their successor is appointed.
- (f) **Fiscal Year.** The fiscal year end of the Resulting Issuer shall be March 31.

## 2.4 Effect of Certificate of Amalgamation

Upon the issuance of the Certificate of Amalgamation:

- (a) the Amalgamation of Li-Metal and Eurotin Subco and their continuation as one corporation shall become effective;
- (b) the property of each of Li-Metal and Eurotin Subco shall continue to be the property of Amalco;
- (c) Amalco shall continue to be liable for the obligations of Li-Metal and Eurotin Subco;
- (d) any existing cause of action, claim, or liability to prosecution shall be unaffected;
- (e) a civil, criminal or administrative action or proceeding pending by or against Li-Metal or Eurotin Subco may be continued to be prosecuted by or against Amalco;
- (f) a conviction against, or ruling, order or judgment in favour of or against, Li-Metal or Eurotin Subco may be enforced by or against Amalco;
- (g) the Articles of Amalgamation are deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation is deemed to be the certificate of incorporation of Amalco;
- (h) Amalco shall be a wholly-owned subsidiary of the Resulting Issuer;
- (i) the aggregate stated capital of the Amalco Shares shall become an amount equal to the paid-up capital for purposes of the *Income Tax Act* (Canada) of the common shares of Eurotin Subco immediately prior to the Amalgamation; and
- (j) the aggregate stated capital of the Resulting Issuer Common Shares shall be an amount equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) immediately prior to the Amalgamation of (i) the Eurotin Common Shares and (ii) the Li-Metal Shares that are exchanged, or deemed to be exchanged, for Resulting Issuer Common Shares on the Amalgamation.

## 2.5 Manner of Exchange of Issued Securities

Upon the terms and subject to the conditions set forth herein, at the time of the Amalgamation:

- (a) each 100,000 outstanding Li-Metal Class A Common Shares shall be exchanged for one (rounded down to the nearest whole number) fully paid and non-assessable Resulting Issuer Common Share;
- (b) each outstanding Li-Metal Class B Common Share shall be exchanged for 4.71 (rounded down to the nearest whole number) fully paid and non-assessable Resulting Issuer Common Shares;



- (c) each Li-Metal Option outstanding immediately prior to the Effective Time shall be deemed to be disposed of in exchange for Resulting Issuer Options to acquire Resulting Issuer Common Shares that are 4.71 times the number of Li-Metal Class B Common Shares under the Li-Metal Option held (rounded down to the nearest whole number). The exercise price per share of the Resulting Issuer Options will be equal to the exercise price to acquire a Li-Metal Class B Common Share pursuant to the Li-Metal Option divided by 4.71 (rounded up to the nearest whole number). Such options will be governed by the New Stock Option Plan, provided however that the Resulting Issuer's board of directors or a committee thereof shall have authority and responsibility with respect to such Resulting Issuer Options. Notwithstanding the foregoing, the exchange of options effected by this Section 2.5(c) is intended to occur on a tax-deferred basis under subsection 7(1.4) of the *Income Tax Act* (Canada) and the Resulting Issuer and the former holders of Li-Metal Options shall make such adjustment to the foregoing if required to qualify for such treatment;
- (d) each outstanding Li-Metal Warrant shall be exchanged for 4.71 fully paid and non-assessable Resulting Issuer Warrants;
- (e) each outstanding Li-Metal Subscription Receipt shall be automatically exchanged, in accordance with the terms of the Subscription Receipt Agreement, for one unit of Li-Metal consisting of: (i) 0.2123 fully paid and non-assessable Li-Metal Class B Common Shares, which shall be further exchanged for one Resulting Issuer Common Share; and (ii) 0.2123 Li-Metal Warrants which shall be immediately adjusted pursuant to the terms of the Warrant Indenture so that each holder thereof will be entitled to acquire one Resulting Issuer Common Share for each 0.2123 Li-Metal Warrants previously held; and
- (f) each outstanding share of Eurotin Subco shall be exchanged for one fully paid and non-assessable Amalco Share.

Li-Metal Shares held by holders who have validly exercised their dissent rights in accordance with the OBCA in connection with the shareholder resolution to approve the Amalgamation will not be exchanged pursuant to this Section 2.5 and will be entitled to compensation in accordance with the OBCA. However, if any such dissenting holder fails to perfect or effectively withdraws its claim pursuant to applicable law, or forfeits its right to make a claim under applicable law, or if its rights as a shareholder of Li-Metal are otherwise reinstated, the Li-Metal Shares held by such holders shall thereupon be deemed to have been exchanged as of the Effective Time of the Amalgamation in accordance with this Section.

## 2.6 Certificates

At the time of the Amalgamation:

- (a) Subject to Section 2.6(b), the registered holders of Li-Metal Shares, Li-Metal Options, Li-Metal Warrants and Li-Metal Subscription Receipts shall cease to be holders of Li-Metal Shares, Li-Metal Options, Li-Metal Warrants and Li-Metal

Subscription Receipts, respectively, and shall be deemed to be registered holders of the Resulting Issuer Common Shares, Resulting Issuer Options and Resulting Issuer Warrants, as applicable, to which they are entitled in accordance with Section 2.5 hereof, and all certificates evidencing Li-Metal Shares, Li-Metal Options, Li-Metal Warrants and Li-Metal Subscription Receipts, if any, shall be null and void and, on or after the Effective Time. The Resulting Issuer shall provide instructions to the Resulting Issuer Registrar and Transfer Agent to record the ownership representing the number of Resulting Issuer Common Shares, Resulting Issuer Options and Resulting Issuer Warrants, as applicable, to which they are so entitled.

- (b) Notwithstanding the foregoing, all certificates representing Li-Metal Shares held by persons who have validly exercised their dissent rights in accordance with the OBCA in connection with the Li-Metal Shareholders' Approval shall represent only the right to receive fair value of the Li-Metal Shares formerly represented by such certificates in accordance with applicable law.

## **2.7 Fractional Securities**

No fractional securities of the Resulting Issuer will be issued. If a securityholder of Li-Metal would otherwise be entitled to a fractional security upon completion of the Amalgamation, the number of securities of the Resulting Issuer issued to such securityholder shall be rounded down to the nearest whole number of such security.

## **2.8 U.S. Securities Law Restrictive Legend**

The parties acknowledge and agree that, in addition to any other legends affixed to Resulting Issuer Common Shares issued in connection with the Amalgamation, upon the original issuance of the Resulting Issuer Common Shares and Resulting Issuer Warrants to United States Persons that are holders of Li-Metal Shares and Li-Metal Subscription Receipts in connection with the Amalgamation, certificates or DRS Advices representing such securities and all certificates or DRS Advices issued in exchange therefor or in substitution thereof, shall bear the following legend:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR QUALIFIED UNDER ANY SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS OR UNLESS AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH STATE SECURITIES LAWS IS AVAILABLE AND, IF REQUESTED BY THE COMPANY, AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, IS DELIVERED TO THE COMPANY PROVIDING THAT SUCH REGISTRATION AND QUALIFICATION IS NOT REQUIRED.”

provided that if, at any time, in the opinion of counsel to the Resulting Issuer, such legends are no longer necessary or advisable under applicable United States securities laws, as applicable, or the holder of any such legended certificate or DRS Advice, at the holder's expense, provides the Resulting Issuer with evidence satisfactory in form and substance to the Resulting Issuer (which may include an opinion of counsel satisfactory to the Resulting Issuer) to the effect that such legends are not required, such legended certificate or DRS Advice may thereafter be surrendered to the Subscription Receipt Agent (as defined in the Subscription Receipt Agreement) (or the Resulting Issuer or transfer agent in the case of certificates or DRS Advices representing Resulting Issuer Common Shares and Resulting Issuer Warrants) in exchange for a DRS Advice or certificate which does not bear such legend.

### **ARTICLE 3 COVENANTS**

#### **3.1 Covenants of Eurotin**

Eurotin covenants and agrees with Li-Metal from the date hereof to and including the earlier of (i) the Effective Date, and (ii) the Termination Date:

- (a) not to, directly or indirectly, solicit, initiate, knowingly encourage, co-operate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Amalgamation, and without limiting the generality of the foregoing, not to induce or attempt to induce any other Person to initiate any shareholder proposal or "take-over bid", exempt or otherwise, within the meaning of the *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* (in Ontario, *National Instrument 62-104 – Take-Over Bids and Issuer Bids*), for securities or assets of Eurotin, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation, including allowing access to any third party (other than its representatives) to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations or in respect of which the Eurotin board of directors determines, in its good faith judgment, after receiving advice from its legal advisors, that failure to recommend such alternative transaction to the Eurotin shareholders would be a breach of its fiduciary duties under applicable law. In the event Eurotin or any of its affiliates, including any of their officers or directors, receives any form of offer or inquiry in respect of any of the foregoing, Eurotin shall forthwith (in any event within one Business Day following receipt) notify Li-Metal of such offer or inquiry and provide Li-Metal with such details as it may request;
- (b) to co-operate fully with Li-Metal and to use all reasonable commercial efforts to assist Li-Metal in its efforts to complete the Amalgamation, unless such co-

operation and/or efforts would subject Eurotin to liability or would be in breach of applicable statutory or regulatory requirements;

- (c) to operate its business in a prudent and business-like manner in the ordinary course, in a manner consistent with past practice; and
- (d) not to, without Li-Metal's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed):
  - (i) issue any debt, equity or other securities, except the issuance of Eurotin Common Shares (or options to acquire Eurotin Common Shares) pursuant to the Amalgamation, the Eurotin Debt Conversion or pursuant to any securities exercisable to acquire Eurotin Common Shares outstanding as of the date hereof;
  - (ii) borrow money or incur any Indebtedness for money borrowed;
  - (iii) make any capital expenditures;
  - (iv) make loans, advances, or any other payments, excluding expenses incurred in the ordinary course and payment of professional fees and other expenses in connection with or ancillary to the Amalgamation or in the ordinary course;
  - (v) declare or pay any dividends or distribute any of Eurotin's properties or assets to shareholders or otherwise;
  - (vi) alter or amend Eurotin's articles or notice of articles in any manner which may adversely affect the success of the Amalgamation, except as required to give effect to the matters contemplated herein;
  - (vii) (i) settle or compromise any material Tax claim, audit, or assessment; (ii) make or change any material Tax election, change any annual Tax accounting period, or adopt or change any method of Tax accounting; (iii) amend any material Tax returns; or (iv) surrender in writing any right to claim a Tax refund, offset or other reduction in Tax liability or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment; and
  - (viii) except as otherwise permitted or contemplated herein, enter into any transaction or material Contract which is not in the ordinary course of business or engage in any business enterprise or activity materially different from that carried on by Eurotin as of the date hereof.

### **3.2 Further Covenants of Eurotin**

Eurotin covenants and agrees with Li-Metal that Eurotin will from the date hereof to and including the earlier of (i) the Effective Date, and (ii) the Termination Date:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) make necessary filings and applications under applicable federal and provincial laws and regulations required on the part of it in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (c) use all commercially reasonable efforts to conduct its affairs so that all of its representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (d) immediately notify Li-Metal of any legal or governmental actions, suits, judgments, investigations, injunction, complaint, motion, regulatory investigation, regulatory proceeding or similar proceeding by any Person, Governmental Entity or other regulatory body, whether actual or threatened, with respect to the Amalgamation or which could otherwise delay or impede the transactions contemplated hereby or result in a Material Adverse Effect;
- (e) notify Li-Metal immediately upon becoming aware that any of the representations and warranties of Eurotin contained herein are no longer true and correct in any material respect;
- (f) immediately upon receipt of any written audit inquiry, assessment, reassessment, confirmation or variation of an assessment, indication that an assessment is being considered, request for filing of a waiver or extension of time or any other notice in writing relating to Taxes (an “**Assessment**”) of Eurotin, deliver to Li-Metal a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of Eurotin on the assumption that such Assessment is valid and binding;
- (g) use all commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.1 hereof to be complied with;
- (h) advise Li-Metal if there are any circumstances, individually or in the aggregate, that may materially and adversely affect the transactions contemplated by this Agreement or that could result in a Material Adverse Effect;
- (i) effect the Eurotin Consolidation and the Eurotin Debt Conversion; and
- (j) subject to the satisfaction of the conditions in Section 5.2 hereof, thereafter cause Eurotin Subco to file together with Li-Metal with the Director under the OBCA the

Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation on or before the Termination Date.

### 3.3 Covenants of Li-Metal

Li-Metal covenants and agrees with Eurotin from the date hereof to and including the earlier of (i) the Effective Date, and (ii) the Termination Date:

- (a) not to, directly or indirectly, solicit, initiate, knowingly encourage, co-operate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Amalgamation, and without limiting the generality of the foregoing, not to induce or attempt to induce any other Person to initiate any shareholder proposal or “take-over bid”, exempt or otherwise, within the meaning of the *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* (in Ontario, *National Instrument 62-104 – Take-Over Bids and Issuer Bids*) for securities or assets of Li-Metal, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation, including allowing access to any third party (other than its representatives) to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations or in respect of which the Li-Metal board of directors determines, in its good faith judgment, after receiving advice from its legal advisors, that failure to recommend such alternative transaction to the securityholders of Li-Metal would be a breach of its fiduciary duties under applicable law. In the event Li-Metal or any of its affiliates or associates, including any of their officers or directors, receives any form of offer or inquiry in respect of the foregoing, Li-Metal shall forthwith (in any event within one Business Day following receipt) notify Eurotin of such offer or inquiry and provide Eurotin with such details in respect thereof that Eurotin may request;
- (b) to co-operate fully with Eurotin and to use all reasonable commercial efforts to assist Eurotin in its efforts to complete the Amalgamation unless such co-operation and efforts would subject Eurotin to liability or would be in breach of applicable statutory or regulatory requirements;
- (c) to operate its business in a prudent and business-like manner in the ordinary course and in a manner consistent with past practice;
- (d) that Li-Metal shall not, without Eurotin’s prior written consent (such consent not to be unreasonably withheld, conditioned or delayed):
  - (i) issue any equity or convertible debt securities, except in connection with the issuance of Li-Metal Shares or Li-Metal Warrants pursuant to any securities exercisable to acquire Li-Metal Shares (including the Li-Metal

Subscription Receipts and the Li-Metal Convertible Debentures) outstanding as of the date hereof;

- (ii) borrow money or incur any Indebtedness for money borrowed, except for money borrowed or indebtedness incurred with a Canadian chartered bank;
- (iii) make loans, advances, or other payments, excluding salaries and bonuses at current rates or routine advances to employees of Li-Metal for expenses incurred in the ordinary course;
- (iv) declare or pay any dividends or distribute any properties or assets of Li-Metal to shareholders or otherwise dispose of any of such properties or assets;
- (v) alter or amend the articles or by-laws of Li-Metal in any manner which may adversely affect the success of the Amalgamation, except as required to give effect to the matters contemplated herein;
- (vi) (A) settle or compromise any material Tax claim, audit, or assessment; (B) make or change any material Tax election, change any annual Tax accounting period, or adopt or change any method of Tax accounting; (C) amend any material Tax returns; or (D) surrender in writing any right to claim a Tax refund, offset or other reduction in Tax liability or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment;
- (vii) except as otherwise permitted or contemplated herein, enter into any transaction or material Contract which is not in the ordinary course of business or engage in any business enterprise or activity materially different from that carried on by Li-Metal as at the date hereof; and
- (viii) make capital expenditures out of the ordinary course of business except as may be reasonable required in connection with facilities and leasehold improvements.

### **3.4 Further Covenants of Li-Metal**

Li-Metal covenants and agrees with Eurotin that it will from the date hereof to and including the earlier of (i) the Effective Date, and (ii) the Termination Date:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement, to provide all notices required in connection with the Amalgamation and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) make necessary filings and applications under applicable federal, state and provincial laws and regulations required on the part of Li-Metal in connection with

the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations;

- (c) use all commercially reasonable efforts to conduct its affairs so that Li-Metal's representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (d) immediately notify Eurotin of any legal or governmental actions, suits, judgments, investigations, injunction, complaint, motion, regulatory investigation, regulatory proceeding or similar proceeding by any Person, Governmental Entity or other regulatory body, whether actual or threatened, with respect to the Amalgamation or which could otherwise delay or impede the transactions contemplated hereby or result in a Material Adverse Effect;
- (e) notify Eurotin immediately upon becoming aware that any of the representations and warranties of Eurotin contained herein are no longer true and correct in any material respect;
- (f) immediately upon receipt of any Assessment relating to Li-Metal, deliver to Eurotin a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of Li-Metal on the assumption that such Assessment is valid and binding;
- (g) use all commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.2 hereof to be complied with;
- (h) advise Eurotin if there are any circumstances, individually or in the aggregate, that may materially and adversely affect the transactions contemplated by this Agreement or that could result in a Material Adverse Effect; and
- (i) subject to the satisfaction of the conditions precedent in Section 5.1 hereof, thereafter together with Eurotin Subco file with the Director pursuant to the OBCA the Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation on or before the Termination Date.

### **3.5 Listing Statement**

- (a) Eurotin shall furnish to Li-Metal all such information concerning Eurotin, as may be reasonably required by Li-Metal in the preparation of the Listing Statement and other documents related thereto, and Eurotin shall ensure that no such information provided by Eurotin for inclusion in the Listing Statement shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein in order to make any information so furnished by Eurotin not misleading in light of the circumstances in which it is disclosed.



- (b) Eurotin shall promptly notify Li-Metal if, at any time before the Closing, the Listing Statement contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Listing Statement and the parties shall co-operate in the preparation of any amendment or supplement as required or as appropriate. Li-Metal shall, subject to compliance by Eurotin with this Section 3.5(b), and, if required by the CSE or applicable law, file any amendment or supplement to the Listing Statement with the applicable securities regulatory authority and as otherwise required.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

### **4.1 Representations and Warranties of Eurotin**

Eurotin represents and warrants to and in favour of Li-Metal as follows, and acknowledges that Li-Metal is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Each of Eurotin and Eurotin Subco is a corporation incorporated and validly existing under the laws of the jurisdiction of its incorporation and has all requisite corporate power and corporate authority and is duly qualified and holds all material permits, licences, registrations, qualifications, consents and authorizations necessary or required to carry on its business as now conducted and to own, lease or operate its Assets and Properties and neither Eurotin nor, to the knowledge of Eurotin, any other Person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing the dissolution or winding up of Eurotin or Eurotin Subco, and each of Eurotin and Eurotin Subco has all requisite corporate power and corporate authority to enter into this Agreement.
- (b) The authorized capital of Eurotin consists of an unlimited number of Eurotin Common Shares, of which 106,741,332 Eurotin Common Shares are issued and outstanding as at the date hereof as fully paid and non-assessable shares in the capital of Eurotin. Other than the Eurotin Common Shares there are no other securities issued and outstanding. All issued and outstanding securities of Eurotin have been issued in compliance with applicable law.
- (c) Other than Eurotin Subco, Eurotin has no direct or indirect subsidiaries nor any investment in any Person or any agreement, option or commitment to acquire any such investment. All of the issued and outstanding securities of Eurotin Subco are held by Eurotin. Eurotin Subco is not a party to any contract (other than this Agreement) and has nominal assets and no liabilities.
- (d) Eurotin is a “reporting issuer” (as that term is defined under Securities Laws in the province of Ontario) and is not in default of the requirements of the applicable Securities Laws in Ontario in any material respect. Post Eurotin Consolidation,

Eurotin's share distribution will consist of sufficient Board Lots (as defined in the policies of the CSE) to satisfy CSE minimum listing requirements.

- (e) Eurotin has filed all material documents and information required to be filed by it pursuant to applicable Securities Laws with the applicable securities commissions (the "**Disclosure Documents**"), except where non-compliance has not had, and would not reasonably be expected to have, a Material Adverse Effect, and Eurotin does not have any confidential filings with any securities authorities. As of the time the Disclosure Documents were filed with the applicable securities regulators and on SEDAR (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing): (i) each of the Disclosure Documents complied in all material respects with the requirements of the applicable Securities Laws in the jurisdictions they were filed; and (ii) none of the Disclosure Documents contained any untrue statement of a material fact regarding Eurotin or omitted to state a material fact regarding Eurotin required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (f) Eurotin has been conducting its business in compliance in all material respects with all applicable law and regulations of each jurisdiction in which it carries on its business and has not received a notice of material non-compliance, and, to the knowledge of Eurotin, there are no facts that would give rise to a notice of material non-compliance with any such laws and regulations.
- (g) No consent, approval, order or authorization of, or registration, declaration or filing with, any third party or Governmental Entity is required by or with respect to Eurotin or Eurotin Subco in connection with the execution and delivery of this Agreement by Eurotin or Eurotin Subco, the performance of their obligations hereunder or the consummation by Eurotin or Eurotin Subco of the Amalgamation other than: (i) the Eurotin Shareholders' Approval; (ii) the approval of the Amalgamation, the Eurotin Consolidation, the Eurotin Debt Conversion and the listing of the Resulting Issuer Common Shares, Resulting Issuer Options, the Resulting Issuer Warrants by the CSE; (iii) the filing of the Articles of Amalgamation under the OBCA and the issuance of the Certificate of Amalgamation; (iv) such registrations and other actions required under applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of a new corporation on the Amalgamation; (v) any filings with the Director under the OBCA; and (vi) the delisting of Eurotin from the TSX Venture by the TSX Venture.
- (h) Subject to the receipt of the approvals and the filings set out in Section 4.1(g), each of the execution and delivery of this Agreement, the performance by each of Eurotin and Eurotin Subco of its obligations, hereunder and the consummation of the transactions contemplated hereby, the issuance of the Resulting Issuer Common Shares, the Resulting Issuer Options and the Resulting Issuer Warrants do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (whether after notice or lapse of time or both) or give rise to any right of termination or acceleration of any obligations or

indebtedness, and, except for the requirement to hold an annual meeting of shareholders within 15 months of its preceding annual meeting of shareholders, neither Eurotin or Eurotin Subco is currently in breach or default of: (i) any law, statute, rule or regulation applicable to Eurotin or Eurotin Subco including applicable Securities Laws; (ii) the constating documents, by-laws or resolutions of Eurotin or Eurotin Subco, which are in effect as at the date hereof; (iii) any mortgage, note, indenture, contract, agreement, instrument, lease or other document to which Eurotin or Eurotin Subco is a party or by which it is bound; or (iv) any judgment, decree or order binding upon Eurotin or Eurotin Subco or the Assets and Properties thereof.

- (i) This Agreement has been duly authorized and executed by Eurotin and Eurotin Subco and constitutes a valid and binding obligation of Eurotin and Eurotin Subco and shall be enforceable against each of Eurotin and Eurotin Subco in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principals when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law.
- (j) Other than this Agreement, neither Eurotin or Eurotin Subco is currently party to any agreement in respect of: (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by Eurotin or Eurotin Subco whether by asset sale, transfer of shares or otherwise; or (ii) the change of control of Eurotin or Eurotin Subco (whether by sale or transfer of shares or otherwise).
- (k) The audited financial statements of Eurotin for the years ending March 31, 2019 and 2020 including the notes thereto and the interim financial statements of Eurotin as at and for the period ending December 31, 2020 have been prepared in accordance with IFRS and present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise as required by IFRS) of Eurotin as at such dates and the results of its operations and its cash flows for the period then ended and contain and reflect adequate provisions for all reasonably anticipated liabilities, expenses and losses of Eurotin in accordance with IFRS and there has been no change in accounting policies or practices of Eurotin since March 31, 2020.
- (l) All Taxes due and payable by Eurotin or Eurotin Subco, have been paid, except where the failure to pay such Taxes would not reasonably be expected to result in a Material Adverse Change in respect of Eurotin or Eurotin Subco. All Tax returns, declarations, remittances and filings required to be filed by Eurotin or Eurotin Subco have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings did not contain a misrepresentation as at the respective dates thereof except where the failure to file such documents or such misrepresentation would not reasonably be expected to result in a Material

Adverse Change in respect of Eurotin or Eurotin Subco. To the knowledge of Eurotin or Eurotin Subco, no audit or examination of any Tax return of Eurotin or Eurotin Subco is currently in progress and there are no claims, issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by Eurotin or Eurotin Subco, in any case, except where such audits, examinations, claims, issues or disputes would not reasonably be expected to result in a Material Adverse Change in respect of Eurotin or Eurotin Subco.

- (m) Eurotin has established on its books and records reserves that are adequate for the payment of all material Taxes not yet due and payable and there are no liens for Taxes on the assets of Eurotin that are material.
- (n) No holder of outstanding shares in the capital of Eurotin is entitled to any preemptive or any similar rights to subscribe for any Eurotin Common Shares or other securities of Eurotin and, other than pursuant to this Agreement, there are no rights to acquire, or instruments convertible into or exchangeable for, any shares in the capital of Eurotin or Eurotin Subco.
- (o) No third party has any ownership right, title, interest in, claim in, lien against or any other right to the Assets and Properties purported to be owned by Eurotin or Eurotin Subco.
- (p) No legal or governmental actions, suits, judgments, investigations or proceedings are pending to which Eurotin or Eurotin Subco, or to the knowledge of Eurotin, the directors or officers of Eurotin are a party or to which the Assets and Properties of Eurotin or Eurotin Subco are subject that would result in a Material Adverse Effect and, to the knowledge of Eurotin, no such proceedings have been threatened against or are pending with respect to Eurotin or Eurotin Subco, or with respect to its Assets and Properties and neither Eurotin nor Eurotin Subco is subject to any judgment, order, writ, injunction, decree or award of any Governmental Entity, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.
- (q) Eurotin is not party to any material Contract, written or oral, pursuant to which Eurotin currently has any outstanding obligation or liability, other than:
  - (i) this Agreement;
  - (ii) debt conversion agreements in connection with Eurotin Debt Conversion;  
and
  - (iii) transfer agency agreement with TSX Trust;(collectively the “**Eurotin Material Contracts**”).
- (r) All Eurotin Material Contracts are in good standing in all material respects and in full force and effect.

- (s) Neither Eurotin nor, to the knowledge of Eurotin, any other party thereto is in material default or breach of any Eurotin Material Contract and, to the knowledge of Eurotin, there exists no condition, event or act which, with the giving of notice or lapse of time or both, would constitute a material default or breach under any Eurotin Material Contract which would give rise to a right of termination on the part of any other party to a Eurotin Material Contract.
- (t) Except for the trading halt imposed by the TSX Venture on March 24, 2021 following disclosure by Eurotin of the Letter of Intent, no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of Eurotin (including the Eurotin Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of Eurotin, are pending, contemplated or threatened by any regulatory authority.
- (u) Eurotin is not party to any agreement, nor, to the knowledge of Eurotin, is there any shareholders agreement or other Contract which in any manner affects the voting control of any of the securities of Eurotin.
- (v) There is no agreement, plan or practice of Eurotin relating to the payment of any management, consulting, service or other fee or any bonus, pensions, share of profits or retirement allowance, insurance, health or other employee benefit other than in the ordinary course of business or in respect of professional service fees.
- (w) Except for its stock option plan, Eurotin does not have any plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by Eurotin for the benefit of any current or former director, officer, employee or consultant of Eurotin, each of which has been maintained in all material respects with its terms and with the requirements prescribed by any and all applicable statutes, orders, rules and regulations.
- (x) Except for the interest of all directors in the Eurotin Debt Conversion, none of the directors or officers of Eurotin has any material interest, direct or indirect, in any material transaction or any proposed material transaction with Eurotin that materially affects, is material to or will materially affect Eurotin. Eurotin is not indebted to: (i) any director, officer or shareholder of Eurotin; (ii) any individual related to any of the foregoing by blood, marriage or adoption; or (iii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in this Subsection 4.1(x). None of those Persons referred to in this Subsection 4.1(x) is indebted to Eurotin. Eurotin is not currently a party to any material Contract, agreement or understanding with any officer, director, employee, shareholder or any other Person not dealing at arm's length with Eurotin.
- (y) The minute books and records of Eurotin made available to counsel for Li-Metal in connection with the due diligence investigation of Eurotin for the period from the

date of incorporation to the date hereof are all of the minute books of Eurotin and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of Eurotin to the date hereof and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of Eurotin to the date hereof not reflected in such minute books.

- (z) There is no Person acting at the request or on behalf of Eurotin that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement.

#### **4.2 Representations and Warranties of Li-Metal**

Li-Metal represents and warrants to and in favour of Eurotin and Eurotin Subco as follows, and acknowledges that Eurotin and Eurotin Subco are relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Li-Metal (i) has been duly incorporated and is validly existing under the laws of Ontario and is up-to-date in respect of all material corporate filings and in good standing under the OBCA; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own or lease and operate its properties and assets; and (iii) has all requisite corporate power and authority to enter into and carry out its obligations under this Agreement.
- (b) Other than Li-Metal US Inc., Li-Metal does not beneficially own, or exercise control or direction over, directly or indirectly, any interest in any other Person.
- (c) No proceedings have been taken, instituted or, to the knowledge of Li-Metal, are pending for the dissolution or liquidation of Li-Metal.
- (d) Li-Metal is, in all material respects, conducting its business in compliance with all applicable law, rules and regulations (including all material applicable federal, provincial, state, municipal and local laws, regulations and other lawful requirements of any Governmental Entity) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned or leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would reasonably be expected to result in a Material Adverse Change in respect of Li-Metal.
- (e) Each of the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been authorized by all necessary corporate action of Li-Metal and upon the execution and delivery hereof, this Agreement shall constitute a valid and binding obligation of Li-Metal, enforceable against Li-Metal in accordance with its terms, provided that enforcement thereof may be limited by

laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable.

- (f) All consents, approvals, permits, authorizations or filings necessary for the execution and delivery of this Agreement by Li-Metal and the consummation by Li-Metal of the transactions contemplated hereby have been made or obtained, as applicable, other than: (i) the Li-Metal Shareholders' Approval, (ii) the filing of the Articles of Amalgamation under the OBCA and the issuance of a certificate in respect thereof; and (iii) any filings with the Director under the OBCA.
- (g) The execution and delivery of this Agreement by Li-Metal, the performance by Li-Metal of its obligations hereunder and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under (whether after notice or lapse of time or both), and Li-Metal is not currently in breach or default of, (A) any statute, rule or regulation applicable to Li-Metal; (B) the constating documents or resolutions of Li-Metal which are in effect at the date of hereof; (C) any Debt Instrument or Li-Metal Material Agreement; or (D) any judgment, decree or order binding Li-Metal or the properties or assets thereof, except where such conflict, breach, violation or default would not reasonably be expected to result in a Material Adverse Change in respect of Li-Metal.
- (h) The authorized capital of Li-Metal consists of an unlimited number of Li-Metal Class A Common Shares, Li-Metal Class B Common Shares and Li-Metal Class C Common Shares, of which 1,000,000 Li-Metal Class A Common Shares and 3,231,028 Li-Metal Class B Common Shares were issued and outstanding as fully paid and non-assessable shares of Li-Metal as of the close of business on July 13, 2021.
- (i) Except for the securities set forth in Section 4.2(i) of the Disclosure Letter, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of Li-Metal.
- (j) Except as set forth in the unaudited interim financial statements of Li-Metal for the three-month period ended March 31, 2021 provided to Eurotin, since December 31, 2020: (i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of Li-Metal; (ii) there has not been any material change in the share capital or long-term debt of Li-Metal; and (iii) Li-Metal has carried on its business in the ordinary course.
- (k) The Li-Metal Financial Statements present fairly, in all material respects, the financial condition of Li-Metal for the periods then ended, and were prepared in accordance with IFRS.

- (l) No legal or governmental actions, suits, judgments, investigations or proceedings are pending to which Li-Metal, or to the knowledge of Li-Metal, the directors or officers of Li-Metal are a party or to which the Assets and Properties of Li-Metal are subject that would result in a Material Adverse Effect and, to the knowledge of Li-Metal, no such proceedings have been threatened against or are pending with respect to Li-Metal, or with respect to its Assets and Properties and Li-Metal is subject to any judgment, order, writ, injunction, decree or award of any Governmental Entity, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.
- (m) Li-Metal possesses all permits, licenses, approvals, consents and other authorizations (collectively, “**Governmental Licenses**”) issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to hold such Governmental Licenses would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Li-Metal. Li-Metal is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Li-Metal and its subsidiaries taken as a whole.
- (n) There is no person acting or purporting to act at the request of Li-Metal who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Li-Metal Private Placement or the transactions contemplated by this Agreement.
- (o) Li-Metal has no material loans or other material indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm’s length with it, other than for the reimbursement of ordinary course business expenses.
- (p) Li-Metal is the sole and exclusive owner of the Intellectual Property owned by it (the “**Owned Intellectual Property**”) with good, valid and marketable title thereto, free and clear of all Encumbrances. Li-Metal has valid and enforceable licences to use all of the material Intellectual Property that is duly licensed by Li-Metal as part of the Li-Metal Business as presently conducted (the “**Licensed Intellectual Property**”) and used by it in connection with, and as required for, the Li-Metal Business as presently conducted, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principals when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law. Li-Metal has no knowledge to the effect that it will be unable to obtain any rights or licenses to use all Intellectual Property necessary for the conduct of its business. To the knowledge of Li-Metal, no third parties have rights to any Intellectual Property, except for the ownership rights of the owners of the Licensed Intellectual Property which is licensed to Li-Metal. To the knowledge of Li-Metal, there is no infringement, misappropriation or misuse by third parties of any Owned Intellectual Property. There is no pending or, to the



knowledge of Li-Metal, threatened action, suit, proceeding or claim by others challenging Li-Metal's rights in or to any Owned Intellectual Property that would result in a Material Adverse Change in respect of Li-Metal and its subsidiaries taken as a whole.

- (q) All Taxes due and payable by Li-Metal, have been paid, except where the failure to pay such Taxes would not reasonably be expected to result in a Material Adverse Change in respect of Li-Metal. All Tax returns, declarations, remittances and filings required to be filed by Li-Metal have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings did not contain a misrepresentation as at the respective dates thereof except where the failure to file such documents or such misrepresentation would not reasonably be expected to result in a Material Adverse Change in respect of Li-Metal. To the knowledge of Li-Metal, no audit or examination of any Tax return of Li-Metal is currently in progress and there are no claims, issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by Li-Metal, in any case, except where such audits, examinations, claims, issues or disputes would not reasonably be expected to result in a Material Adverse Change in respect of Li-Metal.
- (r) Li-Metal has established on its books and records reserves that are adequate for the payment of all material Taxes not yet due and payable but which relate to periods ending on or before the date hereof and there are no liens for Taxes on the assets of Li-Metal that are material.
- (s) No third party has any ownership right, title, interest in, claim in, lien against or any other right to the Assets and Properties purported to be owned by Li-Metal.
- (t) Li-Metal is not party to any material Contract, written or oral, pursuant to which Li-Metal currently has any outstanding obligation or liability, other than:
  - (i) the Subscription Receipt Agreement; and
  - (ii) the Warrant Indenture.(collectively the "**Li-Metal Material Contracts**").
- (u) All Li-Metal Material Contracts are in good standing in all material respects and in full force and effect.
- (v) Neither Li-Metal nor, to the knowledge of Li-Metal, any other party thereto is in material default or breach of any Li-Metal Material Contract and, to the knowledge of Li-Metal, there exists no condition, event or act which, with the giving of notice or lapse of time or both, would constitute a material default or breach under any Li-Metal Material Contract which would give rise to a right of termination on the part of any other party to a Li-Metal Material Contract.

- (w) Except as set forth in Section 4.2(w) of the Disclosure Letter, Li-Metal is not party to any agreement, nor, to the knowledge of Li-Metal, is there any shareholders agreement or other Contract which in any manner affects the voting control of any of the securities of Li-Metal.
- (x) Except as set out in Section 4.2(x) of the Disclosure Letter, there is no agreement, plan or practice of Li-Metal relating to the payment of any management, consulting, service or other fee or any bonus, pensions, share of profits or retirement allowance, insurance, health or other employee benefit other than in the ordinary course of business or in respect of professional service fees.
- (y) Except as set out in Section 4.2(y) of the Disclosure Letter, Li-Metal does not have any plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by Li-Metal for the benefit of any current or former director, officer, employee or consultant of Li-Metal, each of which has been maintained in all material respects with its terms and with the requirements prescribed by any and all applicable statutes, orders, rules and regulations.
- (z) The minute books and records of Li-Metal made available to counsel for Eurotin in connection with the due diligence investigation of Li-Metal for the period from the date of incorporation to the date hereof are all of the minute books of Li-Metal and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of Li-Metal to the date hereof and there have been no other material meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of Li-Metal to the date hereof not reflected in such minute books.

## **ARTICLE 5**

### **CONDITIONS PRECEDENT AND OTHER MATTERS**

#### **5.1 Conditions to Obligations of Li-Metal**

The obligation of Li-Metal to consummate the transactions contemplated herein is subject to the satisfaction, on or before the Closing Date, of the following conditions:

- (a) except as affected by the transactions contemplated herein, the representations and warranties of Eurotin contained in Section 4.1 hereof shall be true in all material respects on the Closing Date with the same effect as though such representations and warranties had been made at and as of such time, other than in respect of representations and warranties qualified by materiality which representations and warranties shall be true and correct, and Li-Metal shall have received a certificate to that effect, dated the Closing Date, from an officer or director of Eurotin acceptable to Li-Metal, to the best of his or her knowledge, having made reasonable inquiry;

- (b) Eurotin and Eurotin Subco shall have performed, fulfilled or complied with, in all material respects, all of their obligations, covenants and agreements contained in this Agreement to be fulfilled or complied with by them at or prior to the Closing and Li-Metal shall have received a certificate of an officer or director of Eurotin to such effect;
- (c) Eurotin shall have furnished Li-Metal with:
  - (i) a certified copy of the resolutions passed by the board of directors of Eurotin approving this Agreement and the consummation of the transactions contemplated herein;
  - (ii) a certified copy of the special resolution of the sole shareholder of Eurotin Subco authorizing and approving the Amalgamation; and
  - (iii) a certified copy of the minutes evidencing the Eurotin Shareholders' Approval;
- (d) receipt of all regulatory and third party approvals, authorizations and consents as are required to be obtained by Eurotin or Li-Metal in connection with the Amalgamation, including the approval of the CSE and any other applicable regulatory authorities;
- (e) completion of the Eurotin Consolidation and Eurotin Debt Conversion;
- (f) the Resulting Issuer shall have the requisite number of public shareholders to maintain a listing on the CSE;
- (g) (i) the Resulting Issuer Common Shares and Resulting Issuer Warrants that are issued as consideration for the Li-Metal Shares and the Li-Metal Warrants, respectively, shall be issued as fully paid and non-assessable securities in the capital of the Resulting Issuer, free and clear of any and all Encumbrances and demands of whatsoever nature, except those imposed pursuant to escrow restrictions of the CSE and/or applicable securities laws; and (ii) the Resulting Issuer Common Shares shall have been conditionally approved for listing on the CSE;
- (h) the board of directors of the Resulting Issuer shall be elected as part of the Eurotin Meeting Matters, and may consist of up to 10 directors with all board members being nominated by Li-Metal and expected to include the directors to be chosen by Li-Metal as identified in Section 2.3(c);
- (i) the senior management team of the Resulting Issuer shall consist of those officers appointed by the new board of directors of the Resulting Issuer and who shall include such individuals set forth in Section 2.3(d) in such positions as set forth opposite their name;
- (j) the Auditors of the Resulting Issuer being Grant Thornton LLP or such other Auditors as designated by Li-Metal;

- (k) Eurotin having no cash and no more than \$50,000 in debts or liabilities, which amounts will be paid out by the Resulting Issuer at Closing in cash or Resulting Issuer Common Shares at an issue price of \$1.00 per Resulting Issuer Common Share;
- (l) there being no inquiry or investigation (whether formal or informal) in relation to Eurotin or its respective directors or officers commenced or, to the knowledge of Eurotin, threatened, by any securities commission or official of the TSX Venture or the CSE or a regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a Material Adverse Effect on Eurotin;
- (m) no Material Adverse Change shall have occurred in the business, results of operations, assets, capital, liabilities, financial conditions or affairs of Eurotin since the date of this Agreement, other than a reduction of its cash position in order to pay its professional fees or other expenses;
- (n) the Eurotin Shareholders' Approval shall remain valid, subject to the completion of the Amalgamation;
- (o) the shareholders of Li-Metal shall have approved the Amalgamation;
- (p) there being no prohibition at law against completion of Amalgamation;
- (q) other than in the Spanish Litigation Matter, Eurotin shall not be named as a defendant in any litigation claim or found liable in any litigation claim;
- (r) there being no legal proceeding or regulatory actions or proceedings against any Person to enjoin, restrict or prohibit the Amalgamation or which could reasonably be expected to result in a Material Adverse Effect on Eurotin;
- (s) Eurotin shall be in compliance, in all material respects, with applicable Securities Laws and the rules and policies of the TSX Venture and CSE, as applicable, there shall be no cease-trade order made or threatened by a Governmental Authority in respect of the Eurotin Common Shares; and
- (t) completion of the Li-Metal Private Placement for gross proceeds of up to \$7,500,000.

The conditions described above are for the exclusive benefit of Li-Metal and may be asserted by Li-Metal regardless of the circumstances, or may be waived by Li-Metal in its sole discretion, in whole or in part, at any time and from time to time prior to the Amalgamation without prejudice to any other rights which Li-Metal may have hereunder or at law and notwithstanding the approval of this Agreement by the shareholders of Li-Metal and/or Eurotin Subco.

## 5.2 Conditions to Obligations of Eurotin

The obligations of Eurotin and Eurotin Subco to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Closing Date, of the following conditions:

- (a) except as affected by the transactions contemplated herein, the representations and warranties of Li-Metal contained in Section 4.2 hereof shall be true in all material respects on the Closing Date with the same effect as though such representations and warranties had been made at and as of such time, other than in respect of representations and warranties qualified by materiality which representations and warranties shall be true and correct, and Eurotin shall have received a certificate to such effect, dated the Closing Date, of a senior officer of Li-Metal to the best of his knowledge having made reasonable inquiry;
- (b) Li-Metal shall have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in this Agreement to be fulfilled or complied with by it at or prior to the time of the Closing and Eurotin shall have received a certificate of an officer of Li-Metal to such effect;
- (c) Li-Metal shall have furnished Eurotin with:
  - (i) certified copies of the directors' resolutions passed by the board of directors of Li-Metal approving this Agreement, as well as the consummation of the transactions contemplated herein;
  - (ii) certified copies of the special resolution of the shareholders of Li-Metal authorizing and approving the Amalgamation and the Amalgamation Agreement; and
  - (iii) a certificate of Li-Metal setting forth the number of issued and outstanding Li-Metal securities immediately prior to the Amalgamation;
- (d) receipt of all regulatory or third party approvals, authorizations and consents as are required to be obtained by Eurotin or Li-Metal in connection with the Amalgamation, including the approval of the CSE and any other applicable regulatory authorities;
- (e) no Material Adverse Change shall have occurred in the business, results of operations, assets, liabilities, financial condition or affairs of Li-Metal since the date of this Agreement;
- (f) the shareholders of Li-Metal shall have approved the Amalgamation;
- (g) there being no prohibition at law against the completion of the transactions contemplated hereby;
- (h) the Resulting Issuer shall have received conditional approval for listing of the Resulting Issuer Common Shares on the CSE;

- (i) completion of the Eurotin Consolidation and Eurotin Debt Conversion;
- (j) there being no inquiry or investigation (whether formal or informal) in relation to Li-Metal or its respective directors or officers commenced or, to the knowledge of Li-Metal, threatened, by any securities commission or official of the TSX Venture or the CSE or a regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a Material Adverse Effect on Li-Metal;
- (k) the Eurotin Shareholders' Approval shall remain valid, subject to the completion of the Amalgamation;
- (l) there being no legal proceeding or regulatory actions or proceedings against any Person to enjoin, restrict or prohibit the Amalgamation or which could reasonably be expected to result in a Material Adverse Effect on Li-Metal; and
- (m) completion of the Li-Metal Private Placement for gross proceeds of up to \$7,500,000.

The conditions described above are for the exclusive benefit of Eurotin and Eurotin Subco and may be asserted by Eurotin and Eurotin Subco, regardless of the circumstances, or may be waived by Eurotin and Eurotin Subco, in their sole discretion, in whole or in part, at any time and from time to time prior to the Amalgamation without prejudice to any other rights which Eurotin and Eurotin Subco may have hereunder or at law and notwithstanding the approval of this Agreement by the shareholders of Eurotin Subco and/or Li-Metal.

### **5.3 Merger of Conditions**

The conditions set out in Sections 5.1 and 5.2 hereof shall be conclusively deemed to have been satisfied, waived or released on the filing by Li-Metal and Eurotin Subco of the Articles of Amalgamation with the Director under the OBCA.

## **ARTICLE 6 NOTICES**

### **6.1 Notices**

All notices, requests and demands hereunder, which may or are required to be given pursuant to any provision of this Agreement, shall be given or made in writing and shall be delivered by courier, facsimile or e-mail as follows:

- (a) to Eurotin or Eurotin Subco, addressed to:

Eurotin Inc.  
77 King Street West, Suite 700  
TD North Tower  
Toronto, ON M5K 1G8

Attn: Mark Wellings  
Email: markwellings@gmail.com

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

Chitiz Pathak LLP  
77 King Street West, Suite 700  
TD North Tower  
Toronto, ON M5K 1G8

Attn: Paul Pathak  
Email: ppathak@chitizpathak.com

(b) to Li-Metal, addressed to:

2555663 Ontario Inc., d.b.a Li-Metal  
333 Bay Street  
Suite 2400, Bay Adelaide Centre  
Toronto, ON M5H 2T6

Attn: Maciej Jastrzebski  
Email: m.jastrzebski@li-metal.com

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

Fasken Martineau DuMoulin LLP  
333 Bay Street  
Suite 2400, Bay Adelaide Centre  
Toronto, ON M5H 2T6

Attn: Gesta Abols  
Email: gabols@fasken.com

or to such other addresses and facsimile numbers or e-mail addresses as the parties may, from time to time, advise to the other parties hereto by notice in writing. All notices, requests and demands hereunder shall be deemed to have been received, if delivered personally or by prepaid courier on the date of delivery and if sent by facsimile or e-mail, on the next Business Day after the facsimile or e-mail was sent.

## **ARTICLE 7 AMENDMENT AND TERMINATION OF AGREEMENT**

### **7.1 Amendment**

This Agreement may, at any time and from time to time, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;

- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties hereto; or
- (d) waive compliance with or modify any other conditions precedent contained herein.

## **7.2 Rights of Termination**

This Agreement may be terminated as follows:

- (a) by mutual agreement of the parties hereto in writing;
- (b) by Li-Metal (i) by notice to Eurotin if any of the conditions contained in Section 5.1 hereof shall not be fulfilled or performed by the Outside Time or (ii) upon a breach by Eurotin that could reasonably result in a condition set forth in Section 5.1 (that has not been waived) being incapable of being satisfied on or before the Outside Time;
- (c) by Eurotin (i) by notice to Li-Metal if any of the conditions contained in Section 5.2 hereof shall not be fulfilled or performed by the Outside Time or (ii) upon a breach by Li-Metal that could reasonably result in a condition set forth in Section 5.2 (that has not been waived) being incapable of being satisfied on or before the Outside Time;
- (d) by any party if the Amalgamation is not completed by the Outside Time; or
- (e) by any party if any applicable Governmental Entity has notified any of Eurotin, Eurotin Subco or Li-Metal that it will not permit the Amalgamation to proceed, in whole or in part.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement other than the obligations that by their terms survive the termination of this Agreement (including the obligations with respect to confidentiality under Section 8.6 and the obligations with respect to expenses under Section 8.7), all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder; and further provided that any of such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfilment or non-performance of any other condition.

## **7.3 Notice of Unfulfilled Conditions**

If either of Li-Metal or Eurotin shall determine at any time prior to the Outside Time that it is entitled to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this



Agreement on the part of the other to be fulfilled or performed, Li-Metal or Eurotin, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

## **ARTICLE 8 GENERAL**

### **8.1 Entire Agreement**

The terms and provisions herein contained constitute the entire agreement between the parties with respect to the subject matter herein and shall supersede all previous oral or written communications, representations, undertakings and agreements with respect to such subject matter, including the Letter of Intent.

### **8.2 Binding Effect**

This Agreement shall be binding upon and enure to the benefit of the parties hereto.

### **8.3 Waiver and Modification**

Li-Metal and Eurotin may waive or consent to the modification of, in whole or in part, any inaccuracy of any representation or warranty made to them hereunder or in any document to be delivered pursuant hereto and may waive or consent to the modification of any of the covenants or agreements herein contained for their respective benefit or waive or consent to the modification of any of the obligations of the other parties hereto. No waiver, or consent to the modification of any inaccuracy of any provision of this Agreement constitutes a waiver of or consent to any proceeding, continuing or succeeding inaccuracy of such provision or of any other provision of this Agreement. Any waiver or consent to the modification of any of the provisions of this Agreement, to be effective, must be in writing executed by the party granting such waiver or consent.

### **8.4 No Personal Liability**

- (a) No director, officer, employee or agent of Li-Metal shall have any personal liability whatsoever to Eurotin and Eurotin Subco under this Agreement, or under any other document delivered in connection with the Amalgamation on behalf of Li-Metal.
- (b) No director, officer, employee or agent of either Eurotin or Eurotin Subco shall have any personal liability whatsoever to Li-Metal under this Agreement, or under any other document delivered in connection with the Amalgamation on behalf of Eurotin or Eurotin Subco.

### **8.5 Assignment**

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party hereto.

## **8.6 Confidentiality**

- (a) No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated hereby will be made by Eurotin, Eurotin Subco, Li-Metal or their representatives without the prior agreement of the other parties hereto as to timing, content and method, provided that the obligations herein will not prevent a party from making, after consultation with the other parties, such disclosure as its counsel advises is required by applicable law or the rules and policies of the TSX Venture or the CSE.
- (b) Except as and only to the extent required by applicable law, a Receiving Party will not disclose or use, and it will cause its representatives not to disclose or use, any Confidential Information furnished, or to be furnished, by a Disclosing Party or its representatives to the Receiving Party or its representatives at any time or in any manner other than for purposes of evaluating the transactions proposed in this Agreement.
- (c) If this Agreement is terminated pursuant to Article 7, each Receiving Party will promptly return to the Disclosing Party or destroy any Confidential Information and any work product produced from such Confidential Information in its possession or in the possession of any of its representatives.

## **8.7 Costs**

Each of the parties hereto shall be responsible for their own costs and charges incurred with respect to the transactions contemplated herein including, without limitation, all costs and charges incurred prior to the date of this Agreement and all legal and accounting fees and disbursements relating to preparing the documents relating to the transactions contemplated herein or otherwise relating to the transactions contemplated herein. For the purposes of clarity, Li-Metal shall be responsible for paying the costs and fees payable to the CSE regarding their review of the Amalgamation and the personal information forms to be submitted by the proposed executive officers, directors and promoters and insiders of the Resulting Issuer following completion of the Amalgamation and all listing fees payable in connection with any securities issued pursuant to the Amalgamation and/or any application fees payable to the CSE in connection with the transactions contemplated herein.

## **8.8 Time of Essence**

Time shall be of the essence of this Agreement.

## **8.9 Survival**

The representations and warranties of each of Li-Metal, Eurotin and Eurotin Subco contained herein shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the Termination Date and the Effective Date.

#### **8.10 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof, and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario in respect of any matter arising hereunder or in connection herewith.

#### **8.11 Severability**

In the event that any provisions contained in this Agreement shall be declared invalid, illegal or unenforceable by a court or other lawful authority of competent jurisdiction, this Agreement shall continue in force with respect to the enforceable provisions and all rights and remedies accrued under the enforceable provisions shall survive any such declaration, and any non-enforceable provision shall, to the extent permitted by law, be replaced by a provision which, being valid, comes closest to the intention underlying the invalid, illegal and unenforceable provision.

#### **8.12 Further Assurances**

Each party hereto shall, from time to time, and at all times hereafter, at the request of the other parties hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

#### **8.13 Counterparts and Electronic Copies**

This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one agreement. The parties shall be entitled to rely on delivery of a facsimile, email in pdf or other electronic copy of the executed Agreement and such copy shall be legally effective to create a valid and binding Agreement.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF** the parties have executed this Amalgamation Agreement as of the date first above written.

**EUROTIN INC.**

**2555633 ONTARIO LIMITED (D.B.A LI-METAL)**

By: "Mark Wellings"  
Name: Mark Wellings  
Title: Chief Executive Officer

By: "Maciej Jastrzebski"  
Name: Maciej Jastrzebski  
Title: Chief Executive Officer

**2848302 ONTARIO INC.**

By: "Mark Wellings"  
Name: Mark Wellings  
Title: Chief Executive Officer