

AMENDMENT TO AMALGAMATION AGREEMENT

THIS AMENDING AGREEMENT (this “**Agreement**”) is made effective as of the 29 day of January, 2020

AMONG:

LITHIUM ENERGY PRODUCTS INC., a corporation existing under the Ontario Business Corporations Act

(“**Lithium**”)

AND:

AMERICAN STRATEGIC MINERALS INC., a corporation existing under the British Columbia Business Corporations Act

(“**ASM**”)

AND:

1200944 B.C. LTD., a corporation existing under the British Columbia Business Corporations Act

(“**Newco**”)

WHEREAS:

A. The Parties entered into an amalgamation agreement dated April 1, 2019, as amended by an amending agreement dated October 9, 2019 (the “**Amalgamation Agreement**”), pursuant to which Lithium has agreed to acquire all of the shares of ASM by way of a three-cornered amalgamation between Lithium, ASM and Newco and further details in the Amalgamation Agreement (the “**Transaction**”);

B. The Parties now seek to further amend the Amalgamation Agreement on the terms and conditions set forth herein for the purpose of facilitating the completion of the Transaction; and

C. Pursuant to Section 6.1 of the Amalgamation Agreement, the Amalgamation Agreement may be amended by written agreement of the Parties without further ASM Shareholder Approval or Newco Shareholder Approval.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties hereby agree as follows:

1. INTERPRETATION

All capitalized terms used in this Agreement (including the recitals to this Agreement) have the same meaning as in the Amalgamation Agreement, unless such terms are otherwise defined herein.

2. AMENDMENTS

The Parties hereby agree that, effective as of the date of this Agreement, the Amalgamation Agreement is amended as follows:

- (a) The definition of “*Completion Deadline*” in Section 1.1 of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

““Completion Deadline” means February 29, 2020 or such later date as the Parties may mutually agree;”

- (b) The definition of “*Filing Statement*” in Section 1.1 of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

““Form 5C” means the Form 5C – Transaction Summary Form required to be filed with the TSXV in connection with the Amalgamation;”

- (c) The following defined terms are added, alphabetically, at Section 1.1 of the Amalgamation Agreement:

(i) *“Bridge Financing” means the non-brokered private placement offering of up to 2,500,000 Lithium Financing Units for gross proceeds of up to \$200,000, which proceeds are to be used to pay certain external service providers for services rendered in order to facilitate the completion of the Amalgamation, to be completed on or prior to the Effective Date;*

(ii) *“Debt Settlement” means the settlement of an aggregate of \$454,591 of bona fide debt owing by Lithium to certain creditors by the issuance of up to 5,682,387 Lithium Debt Units, to be completed on or prior to the Effective Date;*

(iii) *“Lithium Debt Unit” means one Lithium Share and one half of one Lithium Debt Warrant issued at a price of \$0.08 per Lithium Financing Unit;*

(iv) *“Lithium Debt Warrant” means the share purchase warrants issued by Lithium as part of the Lithium Debt Units, with each whole warrant entitling the holder to acquire a Lithium Share at the exercise price of \$0.15 for a period of two years from the date of issuance;*

(v) *“Lithium Financing Unit” means one Lithium Share and one half of one Lithium Financing Warrant issued at a price of \$0.08 per Lithium Financing Unit;*

(vi) *“Lithium Financing Warrant” means the share purchase warrants issued by Lithium as part of the Lithium Financing Units, with each whole warrant entitling*

the holder to acquire a Lithium Share at the exercise price of \$0.15 for a period of two years from the date of issuance;

(vii) ***“Pre-Closing Transactions”*** means, collectively, the Bridge Financing, the Debt Settlement, and the Private Placement;

(viii) ***“Private Placement”*** means the non-brokered private placement offering of up to 43,750,000 Lithium Financing Units for gross proceeds of up to \$3,500,000, which proceeds are to be used for the purchase of mining equipment and facility upgrades, employment costs, and general working capital, to be completed concurrently with the Amalgamation;

(d) The following row is added to the bottom of the table set out in Section 2.7 of the Amalgamation Agreement:

<i>James Walker</i>	<i>[Redacted]</i>	<i>Yes</i>
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(e) The words *“of the Filing Statement”* contained in the 9th line of Section 3.2(c) of the Amalgamation Agreement are deleted.

(f) Section 3.2(aa) of the Amalgamation Agreement is amended by adding *“Except for the advisory arrangement with, and finder’s fees payable to, Sprott Capital Partners LP, and other eligible registered broker-dealers, in relation to the Bridge Financing and Private Placement, which has been previously disclosed to ASM,”* to the beginning of the representation.

(g) A new section 3.2(ii) is added to the Amalgamation Agreement as follows:

“Pre-Closing Transaction Securities. The Lithium Shares to be issued pursuant to the Pre-Closing Transactions will, upon issue, be issued as fully paid and non-assessable shares and, subject to the approval of the TSXV, listed for trading on the TSXV. The Lithium Shares issuable upon the due exercise of the Lithium Financing Warrants and Lithium Debt Warrants will, upon issue, be issued as fully paid and non-assessable shares and subject to the approval of the TSXV, listed for trading on the TSXV.”

(h) Sections 4.2(a) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

“Required Filings. Lithium shall, in a timely and expeditious manner, but in no event later than January 31, 2019, prepare and file the Form 5C with TSXV, and any other documentation which is requested by the TSXV or required to be prepared and filed pursuant to applicable Laws.”

- (i) The first sentence of Section 4.2(c) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

“Certain Actions Prohibited. Other than in contemplation of or as required to give effect to the transactions contemplated by this Agreement or as otherwise permitted pursuant to this Agreement, including all actions required in connection with the Pre-Closing Transactions, Lithium shall not, without the prior written consent of ASM, which consent shall not be unreasonably withheld or delayed, directly or indirectly do or permit to occur any of the following prior to the Effective Date:”

- (j) The first row of the table set out in Section 4.2(m) of the Amalgamation Agreement is deleted in its entirety, and replaced with the following:

<i>James Walker</i>	<i>Chief Executive Officer, President and Director</i>
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- (k) The words “*the filing of the Filing Statement on SEDAR*” contained in Section 4.3(a) are deleted and replaced with “*the receipt of approval of the Form 5C from the TSXV*”.

- (l) Section 4.3(d) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

“Information for Filings. In a timely and expeditious manner, ASM shall provide to Lithium all information with respect to ASM and its businesses and properties that complies in all material respects with all applicable Laws as may be reasonably requested by Lithium, or as required by applicable Laws, in order to make all required filings with the TSXV.”

- (m) Reference to the definition “*Filing Statement*” in Section 4.3(e) of the Amalgamation Agreement is deleted and replaced with the definition “*Form 5C*”.

- (n) The words “*the preparation of the Filing Statement*” contained in the 2nd line of Section 7.3 of the Amalgamation Agreement are deleted.

- (o) The reference to “*May 31, 2019*”, as amended to “*December 31, 2019*”, in Section 4.2(a) of the Amalgamation Agreement is deleted and replaced with “*January 31, 2020*”.

- (p) Section 5.1(d) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

“the TSXV shall have accepted notice for filing of and approved all transactions of Lithium contemplated herein or necessary to complete the Amalgamation, including the Pre-Closing Transactions, subject only to compliance with the usual requirements of the TSXV, as applicable;”

- (q) A new Section 5.1(i) is added to the Amalgamation Agreement as follows:

“Lithium shall have completed the Pre-Closing Transactions, which are required to facilitate the completion of the Amalgamation and the operation of Amalco’s business, and shall have provided evidence or confirmation of the closing of the same.”

3. GENERAL PROVISIONS

- (a) **Conflict.** Except as hereby amended, the Parties agree that the Amalgamation Agreement remains in full force and effect. In the event of any inconsistency between this Agreement and the Amalgamation Agreement, the terms of this Agreement shall prevail to the extent of such inconsistency.
- (b) **Interpretation.** The Amalgamation Agreement and this Agreement will be read and construed together as one document. The Parties ratify and affirm the Amalgamation Agreement as amended hereby (the “**Amended Amalgamation Agreement**”), and agree that the Amended Amalgamation Agreement contains the entire understanding of the Parties hereto with respect to the subject matter hereof. The Amended Amalgamation Agreement supersedes all prior agreements and understandings between the Parties with respect to the subject matter hereof.
- (c) **Time.** Time is of the essence of the Amended Amalgamation Agreement.
- (d) **Governing Law.** This Agreement, any amendment, addendum, annex, exhibit, supplement or other document relating hereto, and any dispute arising from or related thereto, shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- (e) **Binding Effect.** This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and assigns.
- (f) **Further Assurances.** Each Party hereto will from time to time execute and deliver all such further documents and instruments and do all acts and things as the other Party may reasonably require to carry out of better evidence or perfect the full intent and meaning of this Agreement.
- (g) **Execution and Delivery.** This Agreement may be executed in counterpart and such counterparts together shall be effective to constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means (whether that signature is by the hand of the signatory or is computer or machine generated) shall be equally effective as delivery of a manually executed counterpart hereof. The Parties agree that copies of this Agreement containing such signatures shall be admissible in court without further authentication.

[Signature page follows]

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

LITHIUM ENERGY PRODUCTS INC.

Per: “Karl Marek”
Authorized Signatory

AMERICAN STRATEGIC MINERALS INC.

Per: “James Walker”
Authorized Signatory

1200944 B.C. LTD.

Per: “James Walker”
Authorized Signatory