

LICENSING AGREEMENT

This Licensing Agreement (the “**Agreement**”) is entered into as of November 7, 2018 (“**Effective Date**”) by and among:

International Battery Metals Ltd., a British Columbia corporation (“**IBAT**”);

Ensorcia Metals Corporation, a British Virgin Islands corporation (“**Ensorcia**”);

and

Sorcia Minerals LLC, a Delaware limited liability company (“**Sorcia**”).

IBAT, Ensorcia and Sorcia are each referred to hereinafter individually as a “**Party**” and collectively as the “**Parties**”.

PREAMBLE

WHEREAS, IBAT owns certain patents, trade secrets, know-how and other proprietary rights relating to processing systems and technology to extract and produce lithium chloride concentrate and other lithium salts from lithium bearing raw brine;

WHEREAS, IBAT desires to provide design, construction, management, operation and maintenance services for such lithium extraction systems and technology to Sorcia in Chile (the “**Territory**”), and Sorcia desires to exclusively engage IBAT to provide such services in the Territory pursuant to an **IBAT Design Contract**(as defined in section 1.19 hereof);

WHEREAS, IBAT desires to provide Sorcia a territory-exclusive limited license to certain of said patents, trade secrets, know-how and other proprietary rights for use by Sorcia in Chile solely for the use and operation of equipment and systems manufactured and sold by IBAT for the extraction of lithium salts from lithium bearing raw brine, and Sorcia desires to license such patents, trade secrets, know-how and other proprietary rights, subject to the terms and conditions of this Agreement;

WHEREAS, Sorcia will grant to IBAT a royalty calculated on a metric ton of lithium carbonate equivalents produced by or on behalf of Sorcia using any of the licensed intellectual property rights under this Agreement; and

WHEREAS, in connection with Sorcia licensing the rights hereunder from IBAT, Sorcia will issue to IBAT a ten percent common membership interest in Sorcia.

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements hereinafter set forth, the Parties hereby agree as follows:

SECTION 1. DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meanings:

- 1.1 “**AAA**” has the meaning set forth in Section 16.2(b).
- 1.2 “**Affiliate(s)**” means any corporation, firm, partnership, limited liability company or other entity that controls, is controlled by or is under common control with a Party to this Agreement. For purposes of this definition, any entity will be regarded as in “control” of another entity if (a) it directly or indirectly owns more than fifty percent (50%) of the voting stock of the other entity or such lesser maximum percentage permitted in those jurisdictions where majority ownership by foreign entities is prohibited, (b) it owns or has a right to own more than fifty percent (50%) of the net assets of an entity without voting securities, or (c) it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the entity, whether through contract or otherwise.
- 1.3 “**Accredited Investor**” has the meaning set forth in Section 9.2(d)(ii).
- 1.4 “**Agreement**” has the meaning set forth on the first page of this Agreement.
- 1.5 “**Arbitration Demand**” has the meaning set forth in Section 16.2(b).
- 1.6 “**Business Day**” means any day other than a Saturday or Sunday or any day the banks in Denver, Colorado are not open for business.
- 1.7 “**Change in Control**” means a direct or indirect transfer of ownership in a Party, whether voluntary or by law, such that one or more transferees that did not immediately prior to such transfer control fifty percent (50%) or more of the Party’s voting rights directly or indirectly controls fifty percent (50%) or more of the Party’s voting rights after such transfer.
- 1.8 “**Chemphys**” means Chendgu Chemphys Chemical Industry Co., Ltd.
- 1.9 “**Competitor**” has the meaning set forth in Section 7.1.
- 1.10 “**Confidential Information**” means, with respect to a Party, all reports and other Information of such Party that is disclosed to the other Party under this Agreement, whether in oral, written, graphic, electronic or other form. Confidential Information includes any IBAT Licensed Rights, including IBAT Licensed Patents that have not yet been published.
- 1.11 “**Disclosing Party**” has the meaning set forth in Section 8.1.
- 1.12 “**Dollar**” and “**US\$**” means a United States dollar.
- 1.13 “**Effective Date**” has the meaning set forth on the first page of this Agreement.
- 1.14 “**Ensorcia**” has the meaning set forth on the first page of this Agreement.
- 1.15 “**Extraction Systems**” means any equipment or system made, used, sold, or offered for sale within the Territory that utilizes any portion of the IBAT Licensed Rights to extract lithium salts from lithium bearing brine sources, including but not limited to skid mounted technology.
- 1.16 “**Force Majeure**” means any acts of god (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods), acts of the public enemy, insurrections, riots, explosions, strikes, labor disputes, war, acts of terrorism, civil commotion, adverse political or economic events, breakdowns of or damage to plants, systems, equipment or facilities,

economic shutdown of plants, systems, equipment or facilities, delays in transportation, shortages of labor or material, court or commission orders, or legal impediments or prohibitions, orders or acts of civil or military authority, geologic or hydrogeologic conditions, or changes in the law or third party actions, or any other causes of a similar nature beyond a Party's reasonable control.

- 1.17 “**Governmental Authority**” means any: (a) nation, state, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental body of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers); (d) multinational organization or body; (e) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; (f) any regulatory or self-regulatory authority compliance with which is required by Law; or (g) an official of any of the foregoing.
- 1.18 “**IBAT**” has the meaning set forth on the first page of this Agreement.
- 1.19 “**IBAT Design Contract**” means an agreement to be entered into in good faith between IBAT and Sorcia, pursuant to which IBAT shall be the exclusive provider to Sorcia and its Affiliates of technology, systems and equipment for the extraction of lithium salts from brine (including, but not limited to Extraction Systems) within the Territory and pursuant to which Sorcia shall also exclusively engage IBAT to provide Sorcia and its Affiliates with all design, installation, operation and maintenance services within the Territory with respect to systems and equipment for the extraction of lithium salts from brine (including, but not limited to Extraction Systems).
- 1.20 “**IBAT Know How**” means the accumulation of skills, processes and experience pertaining to the extraction of lithium salts from lithium bearing brine and the processing of extracted lithium salts, including but not limited to, IBAT Licensed Patents, IBAT Licensed Processes, Extraction Systems, if applicable, the Processing Systems, know how regarding processes for the extraction of lithium salts under former patents held by third parties and any and all technical information, discoveries, processes, procedures, methods, protocols, formulae, specifications, test results, studies, analyses, raw material sources, data, formulation or production technology, and other information necessary or useful in the extraction of lithium salts from lithium bearing brine and the processing of extracted lithium salts including the use of the IBAT Licensed Patents and IBAT Licensed Processes and the extraction of lithium salts from brine generally.
- 1.21 “**IBAT Licensed Patent(s)**” means the patent applications listed in **Appendix B** together with any and all divisional and continuations of those applications and the patents issued therefrom, including any reissues, reexaminations, or extensions of such patents, any foreign applications related thereto and any patents issuing therefrom, and claims of any continuations-in-part applications and resulting patents that are directed to subject matter specifically described in the patents and patent applications listed in **Appendix B**.
- 1.22 “**IBAT Licensed Process(es)**” means any method, procedure, service, or process, the practice of which utilizes any portion of the IBAT Licensed Patents or IBAT Know How or which, in the absence of a license, would infringe, or contribute to infringement of, a Valid Claim of an IBAT Licensed Patent.

- 1.23 “**IBAT Licensed Rights**” means the IBAT Licensed Patents, IBAT Know How, IBAT Licensed Processes and, to the extent applicable, any IBAT Improvements licensed to Sorcia during the term of this Agreement.
- 1.24 “**IBAT Warrants**” has the meaning set forth in Section 4.1.
- 1.25 “**Improvements**” means any and all improvements or developments in connection with any of the subject matter described or claimed in the IBAT Licensed Patents or IBAT Know How.
- 1.26 “**Information**” means any data, results, technology, business information and information of any type whatsoever, in any tangible or intangible form, including, without limitation, know-how, trade secrets, practices, techniques, methods, processes, inventions, developments, specifications, formulations, formulae, materials or compositions of matter of any type or kind (patentable or otherwise), software, algorithms, marketing reports, expertise, technology, test data, analytical and quality control data, stability data, other study data and procedures.
- 1.27 “**Laws**” means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any Governmental Authority.
- 1.28 “**Licensed Product(s)**” means any and all products the making, using, importing, exporting or selling of which utilizes any portion of the IBAT Licensed Rights or which, in the absence of a license, would infringe, or contribute to infringement of, a Valid Claim of a IBAT Licensed Patent, including but not limited to, lithium salts extracted utilizing any of the IBAT Licensed Rights or any downstream or upgraded products produced from such lithium salts.
- 1.29 “**Netback Sales Price**” means the gross invoiced sales price for a Licensed Product invoiced by Sorcia, any of its Affiliates or any unaffiliated Third Party marketer, distributor or selling agent of Sorcia for sales or commercial dispositions of a Licensed Product to a Third Party, less any selling commission or fees paid to any unaffiliated Third Party marketer, distributor or selling agent, and less any royalties paid by Sorcia to Governmental Authorities within the Territory for access to or use of lithium bearing brines used in the production of the Licensed Products and less any freight charges actually incurred and paid by Sorcia to transport Licensed Products from Sorcia’s warehouse (or in the case of upgraded Licensed Products, the point of upgrade) to the purchasing customer, provided that Sorcia shall use commercially reasonable efforts to sell all Licensed Products on an FOB Point Of Origin or similar basis. In the event that Sorcia sells or otherwise transfers Licensed Product to any person or entity that is either directly or indirectly an Affiliate of Sorcia or any member of Sorcia (specifically including, but not limited to, Chemphys) for upgrading or manufacture into any higher value Licensed Product, “Netback Sales Price” means the gross invoiced sales price for such upgraded or higher value Licensed Products invoiced by Sorcia, any of its Affiliates or any unaffiliated Third Party marketer, distributor or selling agent of Sorcia for sales or commercial dispositions of such upgraded or higher value Licensed Product to a Third Party, less any selling commission or fees paid to any unaffiliated Third Party marketer, distributor or selling agent, and less any royalties paid by Sorcia to Governmental Authorities within the Territory for access to or use of lithium bearing brines used in the production of the Licensed Products
- 1.30 “**Net Sales**” means the aggregate total amount invoiced for the sale or commercial disposition of Licensed Product by Sorcia, any of its Affiliates or any unaffiliated Third Party marketer, distributor or selling agent of Sorcia.

- 1.31 **"Notice Period"** has the meaning set forth in Section 13.5.
- 1.32 **"Party"** or **"Parties"** has the meaning set forth on the first page of this Agreement.
- 1.33 **"Permits"** means any approvals, consents, licenses, permits, certificates, orders, authorizations and approvals from any Person or Governmental Authority.
- 1.34 **"Person"** means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.
- 1.35 **"Proceeding"** means any action, arbitration, audit, hearing, charge, complaint, investigation, litigation, petition, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority or arbitrator.
- 1.36 **"Processing Systems"** means any lithium processing plant or equipment which produces lithium products from lithium salts extracted in the Territory including lithium salts extracted using Extraction Systems.
- 1.37 **"Quarterly Royalty Report"** has the meaning set forth in Section 3.1.
- 1.38 **"Receiving Party"** has the meaning set forth in Section 8.1.
- 1.39 **"Sorcia"** has the meaning set forth on the first page of this Agreement.
- 1.40 **"Sorcia Membership Interests"** has the meaning set forth in Section 3.2(a).
- 1.41 **"Substantial Breach"** has the meaning set forth in Section 17.2(b).
- 1.42 **"Trading Day"** means any day that the Canadian Securities Exchange is open for trading.
- 1.43 **"Territory"** has the meaning set forth on the first page of this Agreement.
- 1.44 **"Third Party"** means any party other than a Party to this Agreement and such Party's Affiliates.
- 1.45 **"Third Party Joint Development"** has the meaning set forth in Section 2.7.
- 1.46 **"Third Party Joint Development Agreement"** has the meaning set forth in Section 2.7.
- 1.47 **"Valid Claim"** means a pending or issued and unexpired claim of an IBAT Licensed Patent unless such claim has been irrevocably abandoned or declared to be invalid in an unappealable decision of a court or other government agency of competent jurisdiction through no fault of Sorcia.
- 1.48 **"VWAP"** means the volume weighted average price of the common shares for the prior number of Trading Days as reported on the Canadian Securities Exchange.
- 1.49 **Other Definitional Provisions.**
- (i) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section, schedule and exhibit references are to this Agreement unless otherwise specified. The meaning of defined terms shall be equally applicable to the singular and plural forms of the defined terms. The term "including" is not limiting and means "including without limitation."

- (ii) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”; the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”
- (iii) References to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of this Agreement.
- (iv) References to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation.
- (v) The captions and headings of this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

SECTION 2. GRANT OF LICENSE, RESERVATION OF RIGHTS AND EXCLUSIVE APPOINTMENT

2.1 License and Effective Date.

Subject to the terms and conditions of this Agreement, IBAT hereby grants to Sorcia an exclusive license to the extent of the Territory to use and practice the IBAT Licensed Rights for the purposes of (1) extracting lithium salts from brine using Extraction Systems manufactured and sold by IBAT and (2) for the production and sale of Licensed Products using Extraction Systems manufactured and sold by IBAT and for no other purpose whatsoever. Except as set forth in Section 18.1 (Assignment), the license granted hereunder is non-assignable and non-transferrable and subject to the sub-licensing limitations set forth in Section 5 hereof.

2.2 Improvements.

(a) All Improvements conceived or reduced to practice by IBAT during the term of this Agreement, shall be the exclusive property of IBAT. In the case of an Improvement by IBAT to that portion of the IBAT Licensed Rights pertaining specifically and only to the extraction of lithium chloride from brine, said improvement shall be included in this Licensing Agreement without any additional consideration to IBAT and shall be included in the definition of IBAT Licensed Rights for purposes of determining the royalty due and payable to IBAT for the sale or commercial disposition of Licensed Products under Section 3 hereof. In the case of any other Improvement by IBAT, IBAT will grant to Sorcia a six-month option to agree to an exclusive license to the extent of the Territory for the term of this Agreement for such Improvement by IBAT for consideration to be negotiated in good faith between the Parties. Regardless of any additional consideration granted for the license of an Improvement by IBAT to Sorcia, any Improvement by IBAT licensed to Sorcia shall be included in the definition of IBAT Licensed Rights for purposes of determining the royalty due and payable to IBAT for the sale or commercial disposition of Licensed Products under Section 3 hereof.

(b) All Improvements conceived or reduced to practice by Sorcia during the term of this Agreement shall be the exclusive property of IBAT. In the case of an Improvement by Sorcia, Sorcia will promptly assign the Improvement to IBAT.

2.3 Plants and Equipment.

Except as specifically provided in Section 18.1 (Assignment) hereof, Sorcia shall not sell, lease, donate or otherwise transfer any plants or equipment that incorporate or utilize any portion of the IBAT Licensed Rights, including without limitation, any Extraction Systems or parts thereof, without the prior written consent of IBAT.

2.4 Limitation on Rights.

This Agreement confers no license or rights by implication, estoppel, or otherwise under any patent applications or patents of IBAT other than the IBAT Licensed Patents, regardless of whether such patents are dominant or subordinate to the IBAT Licensed Patent(s).

2.5 Exclusions to License

This Agreement confers no license or rights by implication, estoppel, or otherwise under any of the IBAT Licensed Rights to extract anything other than lithium salts from any source. For the sake of clarity, Sorcia is prohibited from utilizing any of the IBAT Licensed Rights for separation of lithium isotopes and from extracting lithium species other than lithium chloride without express written consent of IBAT and any required Permits.

2.6 Pass-Through Rights

Other than pursuant to the provisions of Section 5.1, this Agreement confers no pass-through rights, license, permit to use, or any authorization in any form to any Affiliate of Sorcia, future member of Sorcia, or any other Person without the express written consent of IBAT.

2.7 Joint Development Agreements

Notwithstanding Section 2.2, in the event Sorcia wishes to engage in research and development or technology joint development activities with any educational institution, government lab or other Third Party (“**Third Party Joint Development**”), such Third Party Joint Development shall only be performed pursuant to a separate and mutually acceptable Joint Development Agreement (a “**Third Party Joint Development Agreement**”) between IBAT, Sorcia and such third party. All rights with respect to ownership and use of any technology resulting from such Third Party Joint Development shall be controlled by the terms and conditions of such Third Party Joint Development Agreement, rather than this Agreement.

2.8 Exclusive Appointment of IBAT

In consideration of IBAT’s execution of this Licensing Agreement, Sorcia and Ensorcia hereby irrevocably appoint IBAT as the exclusive provider to Sorcia and its Affiliates of technology, systems and equipment for the extraction of lithium salts from brine (including, but not limited to Extraction Systems) within the Territory and also exclusively engage IBAT to provide Sorcia and its Affiliates with all design, installation, operation and maintenance services within the Territory with respect to systems and equipment for the extraction of lithium salts from brine (including, but not limited to Extraction Systems).

SECTION 3. CONSIDERATION FOR LICENSE

3.1 Royalty.

Sorcia agrees to pay IBAT an earned royalty at six percent (6%) of the Netback Sales Price. Sorcia will prepare a quarterly report of the Net Sales of Licensed Products pursuant to Section 10 Reports,

Records and Audits and in the form provided in **Appendix C (“Quarterly Royalty Report”)**. Sorcia will submit the earned royalty payment, if any, within 30 days after the end of each calendar quarter along with the royalty report.

3.2 **Sorcia Equity Interest.**

(a) Upon the Effective Date, Sorcia hereby grants to IBAT a ten percent (10%) common membership interest in Sorcia (“**Sorcia Membership Interest**”). Upon issuance, such Sorcia Membership Interest will be duly authorized, validly issued, fully-paid and non-assessable, will not be subject to any Liens and will represent ten percent (10%) of the fully diluted issued and outstanding membership interests of Sorcia pursuant to the capitalization table of Sorcia as set forth on **Appendix D** hereto, but subject to dilution in relation to any securities of Sorcia issued after the Effective Date.

(b) Upon execution of this Agreement, (i) Ensorcia, as the sole member of Sorcia, agrees and consents to the admittance of IBAT as a new member of Sorcia pursuant to the terms and conditions of the operating agreement of Sorcia, (ii) IBAT agrees to be bound by the operating agreement of Sorcia, as provided to IBAT prior to the execution of this Agreement, and (iii) Sorcia will provide evidence of the issuance of such Sorcia Membership Interest in form reasonably acceptable to IBAT, which may include a duly executed schedule to Sorcia’s operating agreement setting forth the names and respective percentage membership interests of the members of Sorcia.

SECTION 4. IBAT WARRANTS

4.1 **Issuance of IBAT Warrants.**

In consideration for entering into this Agreement and the performance of its obligations hereunder, within two (2) Trading Days of the later of the Effective Date or the approval of the Canadian Securities Exchange, IBAT will issue to Ensorcia or an Affiliate of Ensorcia named by Ensorcia in writing, warrants to purchase one million (1,000,000) common shares of IBAT at an exercise price per share equal to the 30-day VWAP of the common shares of IBAT as of the Effective Date exercisable for two years from the Effective Date (the “**IBAT Warrants**”). Such IBAT Warrants will be substantially in the form attached hereto as **Appendix E**.

SECTION 5. SUBLICENSING

5.1 **Restrictions on Sub-Licensing**

Sorcia may not sublicense the rights granted in Section 2 to any Third Party, including any Third Party member of Sorcia, or any Affiliate of Sorcia without the prior written consent of IBAT, which consent; a) may not be unreasonably withheld if such sublicense is for use solely within the Territory and, b) may be withheld by IBAT in its sole discretion for any reason or no reason if such sublicense is intended for use in any manner, in whole or in part, outside the Territory; *provided* however that Sorcia may sublicense the rights granted in Section 2 to an Affiliate of Sorcia for use solely within the Territory without the prior written consent of IBAT. Any sublicense granted by Sorcia shall include royalty payment terms that are consistent with and not in conflict with this Agreement and, in the case of a sublicense to an Affiliate of Sorcia for use solely within the Territory, shall ensure that IBAT receives the entirety of its royalty payments under Section 3.1 for sales of IBAT Licensed Products as if all such sales of IBAT Licensed Products were made by Sorcia, and Sorcia shall remain liable to IBAT for payment in full of any royalty due and payable to IBAT under Section 3.1

regardless of whether IBAT Licensed Products are sold by Sorcia or a sublicensee Affiliate of Sorcia. Sorcia will remain responsible for the performance of all sublicensees under any such sublicense as if such performance were carried out by Sorcia itself. Any sublicense:

- (a) Shall be subject to the termination of this Agreement;
- (b) Shall provide that any sublicensee will not further sublicense;
- (c) Shall expressly include for the benefit of IBAT the provisions of Section 3.1 Royalty, Section 7 (Non-Compete), Section 8 (Confidential Information), Section 9 (Representations and Warranties), Section 10 (Reports, Records and Audits) including IBAT's direct right to audit, Section 14 (Indemnification), and Section 16 (Dispute Resolution) and shall require automatic termination in the event the sublicensee institutes a legal action challenging the validity of any IBAT Licensed Patent; and
- (d) Shall state that in the event this Agreement is terminated pursuant to Section 17 provide for assignment of the sublicense to IBAT so long as the sublicensee complies with Section 5.1 and the sublicensee is not in breach.
- (e) In relation to any sublicense to a Third Party or any sublicense to an Affiliate of Sorcia for use, in whole or in part, outside of the Territory, shall provide for payment of royalties to IBAT in an amount and on terms acceptable to IBAT on a case by case basis, and in no event less than the Royalty provided for herein.

5.2 Copy of Sublicense and Sublicensee Reports.

Sorcia will submit to IBAT a copy of each fully executed sublicense agreement and any amendments to sublicenses granted by Sorcia under this Agreement as agreed to by IBAT.

SECTION 6. RELATIONSHIP OF THE PARTIES

6.1 Relationship

The Parties do not have an employment relationship and do not intend to create a partnership or joint venture between them by this Agreement. The relationship between Ensorcia, Sorcia and IBAT shall be that of independent contractors. Each Party and their employees shall be employees of Sorcia for any purpose. IBAT, Ensorcia and Sorcia accept the relationship in good faith, fair dealing and trust established by this Agreement and shall cooperate with each other in furthering the Parties common interests hereunder. Except as specifically provided to the contrary herein, no Party shall have the power to bind or obligate any other Party in any manner.

6.2 Obligations of Sorcia

Ensorcia and Sorcia agree to use commercially reasonable efforts to sell the Licensed Products to Third Parties at prices and pursuant to terms and conditions standard to the industry and consistent with prevailing market prices for such Licensed Products within a reasonable time following the production of Licensed Products from any Extraction Systems or following the upgrading of such Licensed Products.

SECTION 7. NON-COMPETE

7.1 IBAT Non-Compete

During the term of this Agreement and, except for termination by IBAT pursuant to Section 17.2(c), for a period of eighteen months following termination of this Agreement, IBAT agrees not to compete with Sorcia in the Territory. For purposes of this Agreement, "compete" shall include: (i) owning, licensing, managing, operating, controlling, consulting for, participating in, engaging in, rendering any services for, assisting, having any financial interest in, permitting IBAT's name to be used in connection with, or being connected in any manner with the ownership, management, operation, or control of any Competitor of Sorcia or its Affiliates within the Territory; (ii) except as provided in Section 7.3, interfering with the relationship between Sorcia and any current or former employee or consultant of Sorcia; (iii) soliciting any of the Sorcia's customers on behalf of a Competitor; or (iv) soliciting, inducing, or attempting to induce any current or prospective customer, supplier or other business relation of Sorcia or any of its Affiliates to cease doing business with Sorcia. For purposes of this Agreement, a "Competitor" is any person or entity that engages in lithium extraction from brine or any other lithium source, processing, production or refinement in the Territory.

7.2 Ensorcia and Sorcia Non-Compete

During the term of this Agreement and, except for termination by Ensrocia or Sorcia pursuant to Section 17.2(b), for a period of eighteen months following termination of this Agreement, Ensorcia and Sorcia agrees not to compete with IBAT outside of the Territory. For purposes of this Agreement, "compete" shall include: (i) owning, licensing, managing, operating, controlling, consulting for, participating in, engaging in, rendering any services for, assisting, having any financial interest in, permitting Ensorcia's or Sorcia's name or the name of any Affiliate to be used in connection with, or being connected in any manner with the ownership, management, operation, or control of any Competitor of IBAT or its Affiliates outside the Territory; (ii) except as provided in Section 7.3, interfering with the relationship between IBAT and any current or former employee or consultant of IBAT; (iii) soliciting any of IBAT's customers on behalf of a Competitor; or (iv) soliciting, inducing, or attempting to induce any current or prospective customer, supplier or other business relation of IBAT or any of its Affiliates to cease doing business with IBAT. For purposes of this Agreement, a "Competitor" is any person or entity that engages in lithium extraction from brine or any other lithium source, processing, production or refinement.

7.3 Non-Solicitation.

Neither Party shall directly solicit for employment with it or hire, or engage the services of (as a consultant or otherwise), any employee of the other Party to whom it has been introduced in connection with this Agreement or the services to be rendered under this Agreement; *provided however*, that nothing shall prohibit a Party from placing or sponsoring general solicitations or advertisements for employment (whether through the use of placement agencies or otherwise) not specifically directed at such employees of the other Party or from further soliciting or hiring any such employee who responds to such general solicitation or advertisement or who may submit an unsolicited application for employment with it upon his or her own initiative.

7.4 Ex-Territory Expansion.

During the term of this Agreement and, except for termination by Ensorcia or Sorcia pursuant to Section 17.2(b), for a period of two (2) years following termination of this Agreement, Ensorcia and Sorcia agrees that if either wishes to plan, develop or build and operate a facility for the extraction of lithium from any source other than hard rock Spodumene, anywhere outside of the Territory (an "Ex-Territory Expansion"), Sorcia or Ensorcia (as the case may be) shall, for such Ex-Territory Expansion and any additional or subsequent Ex-Territory Expansions, in each case give IBAT notice of such intent. For a period of no more than six (6) months, the Parties shall, in good faith, negotiate a commercial relationship, including, but not limited to a design and build agreement and a related license of the IBAT Licensed Rights for such Ex-Territory Expansion on terms no less favorable to IBAT than any license agreement or design and build agreement then in place between IBAT and Sorcia or Ensorcia. If the Parties cannot complete such agreements within this time period or IBAT notifies Sorcia of its termination of the negotiations, Sorcia shall be free to negotiate with any Third Party to provide the lithium extraction and processing technology for the Ex-Territory Expansion, provided that under no circumstances shall such Ex-Territory Expansion utilize any Extraction Systems or any of the IBAT Licensed Rights and that such agreement with such Third Party shall be on terms and conditions no less favorable to said Third Party than any license agreement or design and build agreement then in place between IBAT and Sorcia or Ensorcia.

SECTION 8. CONFIDENTIAL INFORMATION

8.1 Confidentiality.

Subject to any other provisions of this Agreement, each Party (the "**Receiving Party**"), for itself and its Affiliates, agrees that it shall, during the term of this Agreement and for a period of five (5) years thereafter or ten (10) years from the Effective Date, whichever is longer, (i) hold in confidence using not less than the efforts such Receiving Party uses to maintain in confidence its own proprietary information of similar kind and value the Confidential Information received before or after the Effective Date from the other Party (the "**Disclosing Party**"), (ii) not disclose such Confidential Information to any Third Party, except for those disclosures expressly permitted in this Section 8 below, and (iii) not use such Confidential Information for any purpose other than the purposes expressly permitted by this Agreement, without first obtaining the prior written consent of the Disclosing Party, except as follows:

- (a) such Confidential Information is a part of the public domain, or is known to the Receiving Party or any of its Affiliates without any obligation to keep it confidential, prior to its disclosure by the Disclosing Party to the Receiving Party hereunder; or
- (b) such Confidential Information becomes a part of the public domain after its disclosure by the Disclosing Party to the Receiving Party hereunder without any breach by the Receiving Party of this Agreement; or
- (c) such Confidential Information which the Receiving Party can demonstrate that it has independently developed either prior to its disclosure by the Disclosing Party to the Receiving Party hereunder or without the use of Confidential Information of the Disclosing Party; or

- (d) such Confidential Information is disclosed to the Receiving Party by a Third Party who has the right to make such disclosure.

In each case, it shall be the Receiving Party's obligation to prove that such an exception to the definition of Confidential Information exists.

8.2 Authorized Disclosure.

The Receiving Party may disclose Confidential Information belonging to the Disclosing Party to the extent (and only to the extent) such disclosure is for a permitted purpose and is reasonably necessary in the following instances:

- (a) such Confidential Information is required to be disclosed by Law;
- (b) in prosecuting or defending litigation related to this Agreement or the provision of services under this Agreement (provided that prior to such disclosure, the Disclosing Party shall make reasonable efforts to obtain an appropriate protective order);
- (c) disclosure, solely on a "need to know basis", to Affiliates, potential and existing collaborators, subcontractors, investment bankers, investors and lenders, and each of the Parties' respective directors, employees, contractors and agents, each of whom prior to disclosure must be bound by written obligations of confidentiality and non-use no less restrictive than the obligations set forth in this Section 8; provided, however, that the Receiving Party shall remain responsible for any failure by any Third Party who receives Confidential Information pursuant to this Section 8.2 to treat such Confidential Information as required under this Section 8.

If and whenever any Confidential Information is disclosed in accordance with this Section 8.2, such disclosure shall not cause any such information to cease to be Confidential Information except to the extent that such disclosure results in a public disclosure of such information (otherwise than by breach of this Agreement). Where reasonably possible and other than with respect to Section 8.2, the Receiving Party shall notify the Disclosing Party of the Receiving Party's intent to make such disclosure pursuant to this Section 8.2 sufficiently prior to making such disclosure so as to allow the Disclosing Party adequate time to take whatever action it may deem appropriate in keeping with the terms of this Agreement to protect the confidentiality of the subject Confidential Information

8.3 No Grant of Rights.

The Receiving Party recognizes and agrees that nothing contained in this Agreement will be construed as granting any property rights, by license or otherwise, to any Confidential Information of the Disclosing Party, or to any invention or any patent, copyright, trademark, or other intellectual property right that has issued or that may issue, based on such Confidential Information. The Receiving Party will not make, have made, use or sell for any purpose any product or other item using, incorporating or derived from any Confidential Information of the Disclosing Party, except as provided in this Agreement. The Confidential Information is provided by the Disclosing Party "AS IS" and for use by the Receiving Party for information purposes only and at the Receiving Party's own risk. Except for the specific representations and warranties set forth in this Agreement, the Disclosing Party does not make any representation or warranty, whether written or oral, statutory, express or implied, with

respect to any Information provided under this Agreement, including any warranty of merchantability, fitness for a particular purpose, title or non-infringement of Third Party rights.

8.4 Enforcement.

Each Party acknowledges that its breach of this Agreement will cause irreparable damage to the other Party for which recovery of damages would be inadequate, and hereby agrees that the other Party will be entitled to obtain timely injunctive relief under this Agreement, as well as such further relief as may be granted by a court of competent jurisdiction.

8.5 Safeguard and Return.

The Receiving Party shall use its best efforts at all times to hold in confidence and to safeguard any Confidential Information from falling into the hands of any unauthorized person, and in particular, will not permit any Confidential Information that has been reduced to writing to be duplicated or extracted, except with the consent of the Disclosing Party or its authorized representative. The Receiving Party, and its representatives, shall return to the Disclosing Party all written, electronic and other tangible Confidential Information in its possession or under its control whenever the Disclosing Party shall so request and, in any event, will promptly return all such written Confidential Information to the Disclosing Party upon termination of this Agreement. The Receiving Party, and their representatives, shall destroy all copies of Confidential Information containing notes or annotations made by it or any of its representatives, as well as Confidential Information reflected in analyses, studies, notes, compilations or other documents prepared by it or its representatives. At the request of the Disclosing Party, the Receiving Party, and its representatives, shall certify to the other Party that such return and/or destruction has taken place.

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1 Mutual Representations and Warranties.

Each party represents and warrants to the other Party that:

(a) Such Party has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder and its board of directors, board of managers or similar governing body has duly authorized the execution and delivery of this Agreement and the completion of its obligations hereunder;

(b) This Agreement has been duly executed and constitutes a valid and binding obligation of such Party, enforceable by the other Parties against such Party in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency and other applicable laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may be granted only in the discretion of a court of competent jurisdiction. There are no other agreements that conflict with this Agreement, written or oral, with any third party;

(c) The execution and delivery by such Party of this Agreement and the performance by it of its obligations hereunder and the completion of its obligations hereunder will not knowingly

violate, conflict with or result in a breach of any provision of the organizational documents of such Party or its subsidiaries and will not knowingly: (a) violate, conflict with or result in a breach of: (i) any agreement, contract, indenture, deed of trust, mortgage, bond, instrument, authorization, license or permit to which such Party or its subsidiaries is a party or by which such Party or its subsidiaries are bound; or (ii) any Law of any Governmental Authority to which such Party or its subsidiaries are subject or by which such Party or its subsidiaries are bound; (b) give rise to any right of termination, or the acceleration of any indebtedness, under any such agreement, contract, indenture, authorization, deed of trust, mortgage, bond, instrument, license or permit of such Party or its subsidiaries; or (c) give rise to any rights of first refusal or rights of first offer, trigger any Change in Control or influence provisions or any restriction or limitation under any such agreement, contract, indenture, authorization, deed of trust, mortgage, bond, instrument, license or permit, or result in the imposition of any encumbrance, charge or lien upon any of such Party's assets or the assets of its subsidiaries;

(d) Except as otherwise provided herein, no authorization, consent or approval of, or filing with, any Governmental Authority is necessary on the part of such Party for the consummation by such Party of its obligations in connection with this Agreement, other than the filing of patent applications and other intellectual property filings with the proper Governmental Authorities in the Territory; and

(e) Except as set forth on Schedule 9.1(e), there are no Proceedings pending or, to the knowledge of the Party, threatened against such Party which would adversely affect the rights of the other Parties hereunder.

9.2 Representations and Warranties of IBAT.

IBAT represents and warrants to Ensorcia and Sorcia that:

(a) IBAT has not granted as of the Effective Date, and will not grant during the term of this Agreement, any licenses to any Third Party which would conflict with the licenses granted to Sorcia hereunder;

(b) The IBAT Warrants have been duly authorized by IBAT's board of directors and upon issuance will represent binding obligations of IBAT enforceable against IBAT in accordance with their terms.

(c) The common shares of IBAT issuable upon exercise of the IBAT Warrants are duly authorized and reserved for issuance and, upon exercise of the IBAT Warrants in accordance with their respective terms, will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of IBAT and will not impose personal liability upon the holder thereof;

(d) In relation to the receipt of the Sorcia Membership Interest:

(i) As of the date hereof, IBAT is receiving the Sorcia Membership Interest for its own account and not with a present view towards the public sale or distribution thereof, except

pursuant to sales registered or exempted from registration under the 1933 Act; provided, however, that by making the representations herein, IBAT does not agree to hold any of the Sorcia Membership Interest for any minimum or other specific term and reserves the right to dispose of the Sorcia Membership Interest at any time in accordance with or pursuant to a registration statement or an available exemption under the 1933 Act;

(ii) IBAT is an “accredited investor” as that term is defined in Rule 501(a) of Regulation D under the 1933 Act (an “**Accredited Investor**”);

(iii) IBAT understands that the Sorcia Membership Interest is being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that Sorcia is relying upon the truth and accuracy of, and IBAT’s compliance with, the representations, warranties, agreements, acknowledgments and understandings of IBAT set forth herein in order to determine the availability of such exemptions and the eligibility of IBAT to acquire the Sorcia Membership Interest;

(iv) IBAT has been furnished with all materials relating to the business, finances and operations of Sorcia and materials relating to the offer and sale of the Sorcia Membership Interest which have been requested by IBAT or its advisors. IBAT has been afforded the opportunity to ask questions of Sorcia.

(v) IBAT understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Sorcia Membership Interest.

(vi) IBAT understands that the Sorcia Membership Interests: (i) are “restricted securities” as defined under Rule 144 of the 1933 Act; (ii) may not be offered, sold or otherwise transferred, directly or indirectly, without registration under the 1933 Act or an available exemption from such registration requirements and in accordance with all applicable state securities laws and regulations; (iii) will bear a restrictive legend to such effect.

9.3 **Representations and Warranties of Sorcia.**

Sorcia represents and warrants to IBAT that: the issuance of the Sorcia Membership Interests to IBAT and the admittance of IBAT as a member of Sorcia have been duly authorized by the Board of Managers of Sorcia and approved by all necessary actions of the members of Sorcia and upon issuance the Sorcia Membership Interests will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of members of Sorcia and will not impose personal liability upon the holder thereof.

9.4 **Representations and Warranties of Ensorcia.**

Ensorcia represents and warrants to IBAT that:

(a) In relation to the receipt of the IBAT Warrants:

(i) As of the date hereof, Ensorcia is receiving the IBAT Warrants for its own account and not with a present view towards the public sale or distribution thereof, except pursuant to sales registered or exempted from registration under the 1933 Act; provided, however, that by making the representations herein, Ensorcia does not agree to hold any of the IBAT Warrants or the underlying common shares for any minimum or other specific term and reserves the right to dispose of the IBAT Warrants or the underlying common shares at any time in accordance with or pursuant to a registration statement or an available exemption under the 1933 Act;

(ii) Ensorcia is an Accredited Investor;

(iii) Ensorcia understands that the IBAT Warrants and the underlying common shares are being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that IBAT is relying upon the truth and accuracy of, and Ensorcia's compliance with, the representations, warranties, agreements, acknowledgments and understandings of Ensorcia set forth herein in order to determine the availability of such exemptions and the eligibility of Ensorcia to acquire the IBAT Warrants;

(iv) Ensorcia has been furnished with all materials relating to the business, finances and operations of IBAT and materials relating to the offer and sale of the IBAT Warrants which have been requested by Ensorcia or its advisors. Ensorcia has been afforded the opportunity to ask questions of IBAT.

(v) Ensorcia understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the IBAT Warrants or the underlying common shares.

(vi) Ensorcia understands that the IBAT Warrants and the underlying common shares: (i) are "restricted securities" as defined under Rule 144 of the 1933 Act; (ii) may not be offered, sold or otherwise transferred, directly or indirectly, without registration under the 1933 Act or an available exemption from such registration requirements and in accordance with all applicable state securities laws and regulations; (iii) will bear a restrictive legend to such effect.

(vii) Ensorcia understands that the exercise of the IBAT Warrants has not been registered under the 1933 Act and that the IBAT Warrants may not be exercised by Ensorcia absent such registration or an applicable exemption from such registration requirements and in accordance with all applicable state laws and regulations and IBAT may require reasonable evidence of the availability of such exemptions or compliance, including but not limited to an opinion of counsel or recognized standing in form and substance reasonably acceptable to IBAT to such effect.

9.5 Additional Warranties.

(a) IBAT represents and warrants that:

(i) IBAT's Chief Executive Officer, Dr. John Burba, has been extensively involved throughout his decades long career in the development of selective absorption processes for

the recovery of lithium from brine resources since and during this time Dr. Burba was an inventor and coinventor on eleven pertinent related patents as set forth on **Appendix F**;

(ii) Dr. Burba was extensively involved in the development work and scale up of the absorbent technology and the invention of the lithium recovery process for the Hombre Muerto salar brine and the resulting process, which was fully engineered, with the participation of Dr. Burba, by the FMC Corporation engineering group, was utilized to build a plant on the Hombre Muerto Salar; and

(iii) Dr. Burba has acquired a significant amount of understanding and critical knowledge in the area of lithium extraction that has been neither patented nor published and much of this knowledge and know how is critical to the effective operation of selective absorption processes.

(iv) The lithium extraction technology embodied in the IBAT Licensed Rights is capable of extracting lithium from appropriate saturated lithium bearing brines with lithium concentrations greater than 100 ppm and will transfer the lithium as lithium chloride into water. In addition, the resulting lithium chloride will be of adequate quality to produce lithium carbonate. In the event of a breach of this warranty, this Agreement shall not be terminated, but the Parties agree to work together cooperatively and in good faith to identify and implement alternate technology. Said alternate technology may be provided by IBAT or, if appropriate, licensed from one or more third parties.

(v) To the actual knowledge of IBAT, the IBAT Licensed Patents do not infringe on the intellectual property rights of any Third Party and IBAT has not received any notice from a Third Party claiming such infringement.

(b) EXCEPT AS OTHERWISE PROVIDED HEREIN, IBAT MAKES NO REPRESENTATIONS, EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND ASSUMES NO RESPONSIBILITIES WHATSOEVER WITH RESPECT TO USE, SALE, OR OTHER DISPOSITION BY SORCIA OR ITS SUBLICENSEE(S), AFFILIATES, OR VENDEES OR OTHER TRANSFEREES OF LICENSED PRODUCTS OR LICENSED PROCESSES INCORPORATING OR MADE BY USE OF THE LICENSED RIGHTS. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE USE OR SALE OF SUCH PRODUCTS OR PROCESSES WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, SERVICE MARK, OR OTHER RIGHTS.

(c) Nothing in this Agreement shall be construed as:

(i) A warranty or representation by IBAT as to the validity or scope of any of the rights included in the IBAT Licensed Patents;

(ii) A warranty or representation that the IBAT Licensed Patents or anything made, used, sold or otherwise disposed of under the IBAT Licensed Rights will or will not infringe patents, copyrights or other rights of third parties; *provided however*, that IBAT agrees to indemnify and hold harmless Ensorcia and Sorcia, their respective Affiliates, directors, officers, employees and agents and each person, if any, who controls Ensorcia or Sorcia, from and against any losses, claims, damages, expenses (including attorneys fees) or liabilities, joint

or several, to which such persons may become subject, insofar as such losses, claims, damages, expenses or liabilities (or actions in respect thereof) arise out of or are based upon the infringement of the IBAT Licensed Patents or IBAT Licensed Rights upon patents, copyrights or other rights of third parties, with such indemnification obligations to be handled pursuant to the processes set forth in Sections 14.3, 14.4 and 14.5 of this Agreement, provided that any payment due and payable by IBAT under such indemnification shall be paid, at IBAT's option, in cash, and if not paid in cash, then (subject to approval by any applicable securities regulatory agency) at Sorcia's option be paid through the issuance of common shares of IBAT based on a mutually agreed upon price per share or through a temporary offset of a mutually agreed percentage of the royalty due and payable to IBAT under Section 3.1;

- (iii) An obligation to furnish any patents, trade secrets, know-how or services not agreed to in this Agreement, or
- (iv) An obligation by IBAT to bring or prosecute actions or suits against third parties for infringement other than those specified in this Agreement.

SECTION 10. REPORTS, RECORDS, AND AUDITS

10.1 Reports.

Beginning at the end of the first calendar quarter in which the first sale of any Licensed Product to any Third Party purchaser occurs, Sorcia shall submit to IBAT Quarterly Royalty Reports using the Royalty Report Form set forth in **Appendix C** for each calendar quarter regardless of any sales of Licensed Products.

10.2 Records.

Sorcia shall keep accurate records and shall compel its Affiliates and any sublicensees to keep accurate records in sufficient detail to reflect its operations under this Agreement and to enable the Royalties accrued and payable under this Agreement to be determined. Such records shall be retained for at least three (3) years after the close of the period to which they pertain, or for such longer time as may be required to finally resolve any question or discrepancy raised by IBAT.

10.3 Audits.

Upon the request of IBAT, with reasonable written notice, but not more frequently than once a year, Sorcia shall permit an independent public accountant selected and paid by IBAT to have access during regular business hours to such records as may be necessary to verify the accuracy of royalty payments made or payable hereunder. Said accountant shall disclose information acquired to IBAT only to the extent that it should properly have been contained in the royalty reports required under this Agreement. If an inspection shows an underreporting or underpayment, Sorcia shall pay the amount of the underpayment including any interest as required by this Agreement and, if an inspection shows an underreporting or underpayment in excess of seven percent (7%) for any twelve (12) month period, then Sorcia shall also reimburse IBAT for the cost of the inspection.

SECTION 11. OWNERSHIP

11.1 Licensed Patents.

IBAT shall retain all right, title, and interest in and to the IBAT Licensed Rights.

11.2 Inventions.

Each Party shall own all right, title, and interest in and to any inventions made solely by such Party's employees, agents, independent contractors and sublicensees in the course of conducting its activities under this Agreement during the Term, together with all intellectual property rights therein, including any rights to applications or other protections for any of the foregoing. The Parties shall jointly own all inventions made jointly by the employees, agents, independent contractors or sublicensees of each Party, in accordance with joint ownership interests of co-inventors under U.S. patent laws (that is, each Party shall have full rights to license, assign and exploit such joint inventions (and any patents arising therefrom) anywhere in the world, without any requirement of gaining the consent of, or accounting to, the other Party), subject to the licenses granted herein and subject to any other intellectual property held by such other Party. The Parties shall determine which Party will file, prosecute and maintain the Patents claiming or covering such jointly owned inventions. Inventorship shall be determined in accordance with U.S. patent laws. Notwithstanding the foregoing, with the exception of solely owned or jointly owned inventions made under the terms of a Third Party Joint Development Agreement (which shall be governed by the terms and conditions of said Third Party Joint Development Agreement), Sorcia agrees to assign and hereby assigns and transfers to IBAT all of its right, title and interest in and to any such solely owned or jointly owned inventions that relate to the IBAT Licensed Rights, and agrees to take, and to cause its employees, agents, consultants and sublicensees to take, all further acts reasonably required to evidence such assignment and transfer to IBAT, at IBAT's reasonable expense. Sorcia hereby appoints IBAT as its attorney-in-fact to sign such documents as IBAT deems necessary for IBAT to obtain ownership and to apply for, secure, and maintain patent or other proprietary protection of such inventions if IBAT is unable, after reasonable inquiry, to obtain Sorcia's (or its employee's or agent's) signature on such a document.

11.3 Disclosure of Inventions.

Sorcia shall, and shall cause its Affiliates to, promptly disclose to IBAT any invention disclosures, or other similar documents, submitted to it by its employees, agents, consultants or independent contractors describing inventions that may be inventions related to the IBAT Licensed Rights, and all Information relating to such inventions to the extent necessary for the preparation, filing and maintenance of any patent with respect to such invention.

SECTION 12. PATENT PROSECUTION

12.1 IBAT's Responsibilities.

IBAT shall assume primary responsibility for preparing, filing and prosecuting patent claims for the IBAT Licensed Patents and other IBAT patents, specifically including, but not limited to patents on any Improvements. IBAT shall assume primary responsibility for all patent activities, including all costs, associated with the perfection and maintenance of IBAT Licensed Patents and other IBAT patents, specifically including, but not limited to patents on any Improvements.

SECTION 13. PATENT ENFORCEMENT

13.1 Notice of Infringement.

IBAT and Sorcia agree to inform the other Party promptly in writing of any suspected infringement of the IBAT Licensed Patent(s) by a Third Party or infringement of the IBAT Licensed Patent(s) on the rights of a Third Party. Such notice shall include any evidence of infringement possessed by the suspecting Party. Upon such notice and before proceeding with any action (e.g., cease and desist notice), the Parties shall consult with each other before Sorcia proceeds with any action.

13.2 IBAT Suit.

IBAT shall have the first right to institute suit, and may name Sorcia for standing purposes. If IBAT decides to institute suit, it will provide written notice to Sorcia within 90 days of the date when a party receives notice of infringement. If within 15 days of receipt of such notice, Sorcia does not notify IBAT in writing that it will jointly prosecute the suit, Sorcia will assign and hereby does assign to IBAT all rights, causes of action, and damages resulting from the alleged infringement. IBAT will bear the entire cost of the litigation and will retain the entire amount of any recovery or settlement.

13.3 Joint Suit.

If IBAT and Sorcia agree to institute suit jointly, the suit shall be brought in both their names, the out-of-pocket costs thereof shall be borne by Sorcia, and any recovery or settlement in excess of attorneys' fees for outside counsel and court costs incurred in litigation related to patent enforcement shall be shared equally. IBAT and Sorcia shall agree to the manner in which they shall exercise control over such suit, including choosing counsel that is reasonably satisfactory to each Party. Each Party, at its option, may be represented by separate counsel of its own selection, the fees for which shall be paid by each such Party.

13.4 Sorcia Suit.

In the absence of an IBAT suit pursuant to Section 13.2 and absent an agreement to institute a suit jointly pursuant to Section 13.3, Sorcia may institute suit and may name IBAT for standing purposes. Sorcia may select its own outside counsel for such suit. Sorcia agrees to keep IBAT reasonably apprised of the status and progress of any litigation. Sorcia shall bear the entire cost of such litigation. Any recovery in excess of attorneys' fees for outside counsel and court costs incurred in litigation related to patent enforcement shall be shared equally by Sorcia and IBAT.

13.5 Defense of Suits

In relation to any suit brought against the Parties alleging infringement of the IBAT Licensed Patent(s) on the rights of a Third Party, IBAT shall have the first right to defend suit, and may name Sorcia for standing purposes. If IBAT decides to defend the suit, it will provide written notice to Sorcia within 10 days of the date when a party receives notice of alleged infringement. If within 10 days of receipt of such notice (the "**Notice Period**"), Sorcia does not notify IBAT in writing that it will jointly defend the suit, IBAT will proceed to defend the suit without further participation in the defense by Sorcia and IBAT will bear the entire cost of defending the suit. Alternatively, IBAT may decide not to defend the suit and may in that case send notice to Sorcia requesting that Sorcia defend the suit. Upon receipt of such notice from IBAT, Sorcia will defend the suit without further participation in the defense by IBAT (except IBAT shall cooperate with Sorcia in defending the suit at the reasonable

request of Sorcia and Sorcia shall keep IBAT reasonably informed on the progress of the defense) and Sorcia will bear the entire cost of defending the suit. If it is determined upon final disposition of the suit that the IBAT Patent(s) infringed upon the rights of a Third Party, then (i) IBAT shall be responsible for the costs of the litigation and shall reimburse Sorcia any prior paid costs related to the litigation, provided that any such payment due and payable by IBAT shall be paid, at IBAT's option, in cash, and if not paid in cash, then (subject to approval by any applicable securities regulatory agency) at Sorcia's option be paid through the issuance of common shares of IBAT based on a mutually agreed upon price per share or through a temporary offset of a mutually agreed percentage of the royalty due and payable to IBAT under Section 3.1, and (ii) IBAT shall have a period of not less than six (6) months from the date of such final disposition of the suit to provide replacement technology for the infringing IBAT Patent and, if IBAT is unable to provide such replacement technology within said six (6) month period, the Parties shall negotiate in good faith to adjust the royalty paid to IBAT under this Agreement to an appropriate amount reflective of the continuing value of the IBAT Licensed Rights to Sorcia absent the infringing IBAT Licensed Patent.

SECTION 14. INDEMNIFICATION

14.1 Indemnification by IBAT.

IBAT agrees to indemnify and hold harmless Ensorcia and Sorcia, their respective Affiliates, directors, officers, employees and agents and each person, if any, who controls Ensorcia or Sorcia, from and against any losses, claims, damages, expenses (including attorneys fees) or liabilities, joint or several, to which such persons may become subject, insofar as such losses, claims, damages, expenses or liabilities (or actions in respect thereof) arise out of or are based upon (i) a material breach of this Agreement; or (ii) bodily injury, sickness or death and property damage or destruction to the extent resulting from the negligent acts or omissions of IBAT or anyone employed directly or indirectly by IBAT or anyone for whose acts IBAT may be liable, and will reimburse such persons for any legal or other expenses reasonably incurred by such persons in connection with investigating or defending against any such loss, claim, damage, liability or action as such expenses are incurred; *provided, however*, that IBAT shall not be liable in any such case to the extent that any such loss, claim, damage, expense, liability or action is determined by a court of competent jurisdiction to arise out of or is based upon the willful misconduct or grossly negligent act or omission of Ensorcia, Sorcia or any of their respective Affiliates, directors, officers, employees and agents.

14.2 Indemnification by Ensorcia and Sorcia

Each of Ensorcia and Sorcia, severally and not jointly, will indemnify and hold harmless IBAT, its Affiliates, directors and officers and each person, if any, who controls IBAT from and against any losses, claims, damages, expenses (including attorneys fees) or liabilities to which such persons may become subject, insofar as such losses, claims, damages, expenses or liabilities (or actions in respect thereof) arise out of or are based upon (i) a material breach of this Agreement; or (ii) bodily injury, sickness or death and property damage or destruction to the extent resulting from the negligent acts or omissions of Ensorcia or Sorcia or anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable, and will reimburse such persons for any legal or other expenses reasonably incurred by such persons in connection with investigating or defending against any such loss, claim, damage, liability or action as such expenses are incurred, *provided, however*,

that Ensorcia and Sorcia shall not be liable in any such case to the extent that any such loss, claim, damage, expense, liability or action is determined by a court of competent jurisdiction to arise out of or is based upon the willful misconduct or grossly negligent act or omission of IBAT or any of its respective Affiliates, directors, officers, employees and agents.

14.3 Process.

Any Party that proposes to assert the right to be indemnified under this Section 14 will, promptly after receipt of notice of commencement of any action against such Party in respect of which a claim is to be made against an indemnifying Party or Parties under this Section 14, notify each such indemnifying Party of the commencement of such action, enclosing a copy of all papers served, but the omission so to notify such indemnifying Party will not relieve the indemnifying Party from (i) any liability that it might have to any indemnified Party otherwise than under this Section 14 and (ii) any liability that it may have to any indemnified Party under the foregoing provisions of this Section 14 unless, and only to the extent that, such omission results in the forfeiture of substantive rights or defenses by the indemnifying Party. If any such action is brought against any indemnified Party and it notifies the indemnifying Party of its commencement, the indemnifying Party will be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified Party promptly after receiving notice of the commencement of the action from the indemnified Party, jointly with any other indemnifying Party similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified Party, and after notice from the indemnifying Party to the indemnified Party of its election to assume the defense, the indemnifying Party will not be liable to the indemnified Party for any legal or other expenses except as provided below and except for the reasonable costs of investigation subsequently incurred by the indemnified Party in connection with the defense. The indemnified Party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified Party unless (1) the employment of counsel by the indemnified Party has been authorized in writing by the indemnifying Party, (2) the indemnified Party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified Parties that are different from or in addition to those available to the indemnifying Party, (3) a conflict or potential conflict exists (based on advice of counsel to the indemnified Party) between the indemnified Party and the indemnifying Party (in which case the indemnifying Party will not have the right to direct the defense of such action on behalf of the indemnified Party) or (4) the indemnifying Party has not in fact employed counsel to assume the defense of such action or counsel reasonably satisfactory to the indemnified Party, in each case, within a reasonable time after receiving notice of the commencement of the action; in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying Party or Parties. It is understood that the indemnifying Party or Parties shall not, in connection with any Proceeding or related Proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm (plus local counsel) admitted to practice in such jurisdiction at any one time for all such indemnified Party or Parties. All such fees, disbursements and other charges will be reimbursed by the indemnifying Party promptly as they are incurred. An indemnifying Party will not, in any event, be liable for any settlement of any action or claim effected without its written consent. No indemnifying Party shall, without the prior written consent of each indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or Proceeding relating to the matters contemplated by this Section 14 (whether or not any indemnified

Party is a party thereto), unless such settlement, compromise or consent (1) includes an unconditional release of each indemnified Party, in form and substance reasonably satisfactory to such indemnified Party, from all liability arising out of such litigation, investigation, Proceeding or claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified Party.

14.4 Settlement.

If an indemnified Party shall have requested an indemnifying Party to reimburse the indemnified Party for reasonable fees and expenses of counsel, such indemnifying Party agrees that it shall be liable for any settlement of the nature contemplated by Section 14.1 or Section 14.2 effected without its written consent if (1) such settlement is entered into more than 45 days after receipt by such indemnifying Party of the aforesaid request, (2) such indemnifying Party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (3) such indemnifying Party shall not have reimbursed such indemnified Party in accordance with such request prior to the date of such settlement.

14.5 Contribution

In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in the foregoing paragraphs of this Section 14 is applicable in accordance with its terms but for any reason is held to be unavailable from IBAT or Ensorcia or Sorcia, the Parties will contribute to the total losses, claims, damages or liabilities (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or Proceeding or any claim asserted, but after deducting any contribution received by a Party from persons other than the other Parties, who also may be liable for contribution) to which the Parties may be subject in such proportion as shall be appropriate to reflect the relative benefits received by IBAT on one hand and Ensorcia and Sorcia on the other. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of IBAT, on the one hand, and Ensorcia and Sorcia on the other hand, with respect to the statements or omission that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to the offering. Such relative fault shall be determined by reference to the intent of the Parties and their relative knowledge, access to information and opportunity to correct or prevent such acts or omissions. The Parties agree that it would not be just and equitable if contributions pursuant to this Section 14.5 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified Party as a result of the loss, claim, liability, expense, or damage, or action in respect thereof, referred to above in this Section 14.5 shall be deemed to include, for the purpose of this Section 14.5, any legal or other expenses reasonably incurred by such indemnified Party in connection with investigating or defending any such action or claim to the extent consistent with Section 14.3 hereof. Any Party entitled to contribution, promptly after receipt of notice of commencement of any action against such Party in respect of which a claim for contribution may be made under this Section 14.5, will notify any such Party or Parties from whom contribution may be sought, but the omission to so notify will not relieve that Party or Parties from whom contribution

may be sought from any other obligation it or they may have under this Section 14.5 except to the extent that the failure to so notify such other Party materially prejudiced the substantive rights or defenses of the party from whom contribution is sought. Except for a settlement entered into pursuant to the last sentence of Section 14.3 hereof, no Party will be liable for contribution with respect to any action or claim settled without its written consent if such consent is required pursuant to Section 14.3 hereof.

14.6 Payment by IBAT

Any payment due and payable by IBAT under indemnification and contribution provisions set forth herein shall, at IBAT's option, be paid in cash, and if not paid in cash, then (subject to approval by any applicable securities regulatory agency) at Sorcia's option be paid through the issuance of common shares of IBAT based on a mutually agreed upon price per share or through a temporary offset of a mutually agreed upon percentage of the royalty due and payable to IBAT under Section 3.1.

SECTION 15. TAXES

15.1 Taxes on Payments.

Sums payable under this Agreement are exclusive of any applicable taxes and shall be paid free and clear of all deductions and withholdings whatsoever, unless the deduction or withholding is required by Law. If any deduction or withholding is required by Law, the Party making such withholding shall, within five (5) Business Days of making the deduction or withholding, provide a statement in writing showing the gross amount of the payment, the amount of the sum deducted, and the actual amount paid.

15.2 Taxes of Licensed Product.

Sorcica shall be responsible for paying any sales, value-added and excise taxes, tariffs and duties, and other taxes directly related to the sale of any Licensed Product.

SECTION 16. DISPUTE RESOLUTION

16.1 Joint Negotiations.

The Parties recognize that differences sometimes arise in the course of a relationship and wish to avoid litigation. Accordingly, all claims, disputes and other matters in question between IBAT and Ensorcica/Sorcica arising out of or relating to this Agreement or the breach thereof ("disputes") shall first be submitted to negotiation and may, failing resolution, then be subject to arbitration as set forth below; however, in all other cases, all legal and equitable rights and remedies provided at law and equity are reserved. Disputes claimed by either Party must be made by written notice. Pending final resolution of any dispute, including arbitration in accordance with this Section, each Party shall proceed diligently with performance of this Agreement to the extent it is unrelated to the dispute and the subject matter of the dispute does not inhibit such performance generally. To the extent necessary in light of the circumstances, the term of this Agreement shall be extended by the period of time necessary to resolve any dispute. Such performance by IBAT and Ensorcica/Sorcica shall not operate to waive or stop either party from pursuing the claim which gave rise to the dispute. If any dispute

arises, Ensorcia/Sorcia and IBAT shall each appoint an executive officer to meet for the purpose of resolving it. If the parties' executive officers are able to reach an agreement, the dispute will be deemed resolved as agreed in writing.

16.2 Arbitration.

If after thirty (30) days from the date the dispute arose these negotiations prove unsuccessful in whole or in part, any and all disputes, claims, differences, disputes or controversies arising out of or in relation to any aspect of this Agreement, its business matter, performance, liquidation, interpretation, validity or any breach thereof, shall be resolved by binding arbitration as follows:

- a) Arbitration will be commenced by any Party filing a demand for arbitration pursuant to the AAA Rules (an "**Arbitration Demand**"). The filing Party also shall send a copy of the Arbitration Demand to the other Party.
- b) Each of IBAT and Sorcia shall select an arbitrator within ten (10) days of the date of the Arbitration Demand and shall so notify the other Parties in writing, or, if IBAT or Sorcia fails to select an arbitrator within such ten (10) day period, the American Arbitration Association (the "**AAA**") shall make such appointment within five days thereafter and shall notify the Parties in writing. Within ten (10) days from their appointment, the two arbitrators thus appointed shall select a third arbitrator, who shall act as the chairman of the panel, and shall notify the Parties in writing of his or her selection. If the two arbitrators fail to agree on a third arbitrator within ten (10) days of their selection, the AAA shall make the appointment within five (5) days thereafter and shall notify the Parties in writing. If an arbitrator so selected becomes unable to serve, his or her successors shall be similarly selected or appointed.
- c) The arbitration shall be held in accordance with the AAA Rules. The place of arbitration shall be in New York, New York. The arbitrator(s) shall render a written decision concerning the dispute and shall set forth findings of fact and conclusions of law.
- d) The decision shall be binding on the Parties and shall be final and non-appealable, and the Parties agree to keep the existence of the dispute, arbitration, findings of fact and law, including any award confidential in accordance with the provisions of Section 8 herein. Any decision by the arbitrator(s) shall not be interpreted as an admission against interest of any Party and shall not be admissible as evidence in any subsequent court action with a Third Party.
- e) The Parties agree that a judgment may be entered on the arbitrators' award in any court of competent jurisdiction. The arbitrators in reviewing any claim under this Agreement shall have the exclusive authority to determine any issues as to the arbitrability of any such claim or related disputes hereunder. In reaching a decision, the arbitrators shall interpret, apply and be bound by this Agreement and by applicable Law. The arbitrators shall have no authority to add to, detract from or modify this Agreement or any Applicable Law in any respect. The arbitrators may grant any remedy or relief that a court of competent jurisdiction could grant, except that the arbitrators may not grant any relief or remedy greater than that sought by the Parties.

- f) Any up-front costs of the arbitrators shall be borne equally by the Parties engaged in such dispute; provided, however, that the non-prevailing Party in any such arbitration shall pay, and to the extent applicable, reimburse the prevailing Party for, the costs and expenses of the arbitrators, including costs and expenses payable to the AAA and to the arbitrators; and provided further, that in the event each Party prevails as to certain claims in connection with any such arbitration, the fees of the arbitrators shall be paid and/or reimbursed in accordance with the decision of the arbitrators. Except as otherwise expressly provided this Agreement, each Party shall bear its own costs incurred in connection with attorneys' fees and related expenses.
- g) Notwithstanding the provisions of this Section 16.2, nothing in this Agreement shall limit or in any way restrict the ability of any Party to seek injunctive or other equitable relief in a court or other judicial body for the purpose of enforcing an arbitrators' award.

SECTION 17. TERM, TERMINATION

17.1 Term.

This Agreement shall become effective as of the Effective Date and shall expire when terminated pursuant to Section 17.2.

17.2 Termination of Agreement.

(a) Either Party shall have the right to terminate this Agreement with immediate effect in the event of a Substantial Breach, as hereinafter defined, of this Agreement by the other Party.

(b) A "Substantial Breach" by IBAT entitling Ensorcia or Sorcia to terminate with immediate effect shall be deemed to have occurred if:

- (i) bankruptcy or similar proceedings are instigated (voluntarily or involuntarily) against IBAT's assets or IBAT; or
- (ii) IBAT materially breaches this Agreement, and such breach is not cured by IBAT within thirty (30) days after IBAT received written notice of the existence of the material breach from Ensorcia or Sorcia, or if such breach is not reasonably able to be cured within such period, IBAT has not begun and diligently pursued efforts to cure such breach within thirty (30) days after IBAT received written notice from Ensorcia or Sorcia of the existence of the material breach.

(c) A "Substantial Breach" by Ensorcia or Sorcia which entitles IBAT to terminate with immediate effect shall be deemed to have occurred if:

- (i) Sorcia has not made any payment due under this Agreement within thirty (30) days of the date same became due and payable; or
- (ii) If Ensorcia or Sorcia institutes a legal action challenging the validity of any IBAT Licensed Patent; or
- (iii) If Ensorcia or Sorcia materially breaches this Agreement, and such breach is not cured by Ensorcia or Sorcia within thirty (30) days after Ensorcia or Sorcia

received written notice of the existence of the material breach from IBAT, or if such breach is not reasonably able to be cured within such period, Ensorcia or Sorcia has not begun and diligently pursued efforts to cure such breach within thirty (30) days after IBAT received written notice from Ensorcia or Sorcia of the existence of the material breach; or

- (iv) Ensorcia or Sorcia have materially breached any other material agreement between Ensorcia or Sorcia, on the one hand, and IBAT, on the other, resulting in the termination of such material agreement by IBAT pursuant to its terms; or
- (v) bankruptcy or similar Proceedings are instigated (voluntarily or involuntarily) against Ensorcia's or Sorcia's assets or Ensorcia or Sorcia.
- (vi) Ensorcia, Sorcia or any Affiliate of Ensorcia or Sorcia engages or attempts to engage any party other than IBAT to provide, design, build, install, operate or maintain any systems or equipment for the extraction of lithium salts from brine (including, but not limited to Extraction Systems) within the Territory.
- (vii) The first Extraction System within the Territory is not installed and operational on or before June 30, 2020.

(d) Parties accept and acknowledge that neither Party will terminate this Agreement if the default is caused or due to Force Majeure.

17.3 Effect of Termination

(a) Upon termination of this Agreement for any reason, Sorcia and its Affiliates shall cease use of all IBAT Licensed Rights, including but not limited to IBAT Licensed Processes and any Extraction Systems or Processing Systems that use IBAT Licensed Rights. Unless the Parties agree otherwise in writing, Sorcia agrees to disassemble and sell or destroy, within a commercially reasonable period of termination, any equipment, machinery, or tools (including but not limited to any Extraction Systems) that use, implement, embody, or otherwise carry out any of the IBAT Licensed Rights. The above equipment, machinery, or tools shall be sold piece by piece or destroyed in a manner that will prevent their use for the extraction of lithium from brines and which is approved by IBAT.

(b) Upon termination of this Agreement, Sorcia will promptly sell any remaining Licensed Product and pay to IBAT any royalty due and payable under this Agreement as if this Agreement has not been terminated. Sorcia will provide IBAT with a final accounting of the sale of Licensed Product after the termination of this Agreement and the calculation of the royalty payment.

(c) Expiration or termination of this Agreement shall not affect the rights or obligations of the Parties under this Agreement that have accrued prior to the date of termination or expiration including, without limitation: the obligations of non-compete in Section 7, the obligations of confidentiality in Section 8, the rights to audit in Section 10, the rights of Parties to receive all payments accrued under this Agreement, the rights and ownership in any patents, trade secrets and know how. In addition to the foregoing, the following provisions shall survive expiration or termination of this Agreement for any reason and shall continue in full force and effect: Sections 7 (Non-Competition), 8 (Confidentiality), 11 (Ownership), 14 (Indemnification), 16 (Dispute

Resolution) and 18 (General). The license grants contained in Sections 2.1, and all other licenses and other rights and obligations hereunder, shall terminate upon termination of this Agreement.

SECTION 18. GENERAL

18.1 **Assignment.** This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto.

(a) **Assignment by Sorcia.** Subject to Section 18.1 (c), Licensee may assign this Agreement (i) as part of a sale, regardless of whether such a sale occurs through an asset sale, stock sale, merger or other combination, or any other transfer of (y) Sorcia's entire business; or (z) that part of Sorcia's business that exercises all rights granted under this Agreement; or (ii) as a collateral assignment only in connection with a financing transaction for Sorcia to fund operations related to this Agreement.

(b) **Any Other Assignment by Sorcia.** Any other attempt to assign this Agreement by Sorcia is null and void.

(c) **Conditions of Assignment.** Prior to any assignment, the following conditions must be met: (i) Sorcia must give IBAT ten (10) days prior written notice of the assignment, including the new assignee's contact information; and (ii) the new assignee must agree in writing to IBAT to be bound by this Agreement in all respects.

18.2 Notice.

(a) Sorcia will provide written notice to IBAT at least ninety (90) days prior to bringing an action seeking to invalidate any IBAT Licensed Patent or a declaration of non-infringement. Sorcia will include in such written notice an identification of all prior art it believes invalidates any claim of the patent.

(b) Notice hereunder shall be deemed sufficient if given by registered mail, postage prepaid, and addressed to the Party to receive such notice at the address given below, or such other address as may hereafter be designated by notice in writing.

All general notices to IBAT shall be e-mailed or mailed to:

INTERNATIONAL BATTERY METALS, INC.
11479 S. Pine Drive, Suite 22
Parker, Colorado 80134
United States
Attention: John Burba
Phone: [Personal information redacted.]
Email: [Personal information redacted.]

With a copy to (which shall not constitute Notice):

Dorsey & Whitney LLP
Attention: Jason K. Brenkert
1400 Wewatta Street, Suite 400

Denver, Colorado 80202
Phone: 303-352-1133
Email: brenkert.jason@dorsey.com

All general notices to Ensorcia and Sorcia shall be e-mailed or mailed to:

Ensorcia Metals Corporation
2100 West Loop South, 16th Floor
Houston, Texas 77027
Attention: Mr. Daniel T. Layton
Phone: [Personal information redacted.]
Email: [Personal information redacted.]

With a copy to (which shall not constitute Notice):

Kelley Drye & Warren LLP
333 West Wacker Drive, Suite 2600
Chicago, Illinois 60606
Attention: Timothy R. Lavender
Telephone: (312)857-2630
Facsimile: (312)857-7095
E-mail: tlavender@kellydrye.com

A party may change its mailing or e-mail address with written notice to the other parties.

- 18.3 **Marking:** Sorcia agrees to cause Licensed Products or the product of IBAT Licensed Processes sold under this license to be marked with the notice of the patent numbers or patent pending, or identified on a website pursuant to current regulations, as may be appropriate.
- 18.4 **Choice of Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any conflicts or choice of laws provisions thereunder. Subject to Section 16.2 (Arbitration), any disputes or claims arising out of this Agreement shall be submitted to the exclusive jurisdiction of the state or federal courts in New York, New York, Borough of Manhattan. All Parties hereto agree to submit to the personal jurisdiction of the courts of New York for the purposes of this Agreement.
- 18.5 **Merger and Modification of Agreement.** The terms and provisions contained in this Agreement constitute the entire Agreement between the Parties and shall supersede all previous communications, representations, agreements or understandings, either oral or written, between the Parties hereto with respect to the subject matter hereof, and no agreement or understanding varying or extending this Agreement will be binding upon either Party hereto, unless in a written amendment to this Agreement signed by duly authorized officers or representatives of the respective Parties, and the provisions of this Agreement not specifically amended thereby shall remain in full force and effect according to their terms.
- 18.6 **Severability.** The provisions and clauses of this Agreement are severable, and in the event that any provision or clause is determined to be invalid or unenforceable under any controlling

body of law, such invalidity or unenforceability will not in any way affect the validity or enforceability of the remaining provisions and clauses hereof.

- 18.7 **Headings.** Headings are included herein for convenience only and shall not be used to construe this Agreement.
- 18.8 **Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original and all of which shall together constitute one agreement.

The rest of this page is intentionally left blank

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their respective duly authorized officers.

International Battery Metals Inc.

By: “John Burba”

Title: Chief Executive Officer

Date: November 7, 2018

Ensorcia Metals Corporation

By: “Daniel T. Layton”

Title: Chief Executive Officer

Date: November 7, 2018

Sorcia Minerals LLC

By: “Daniel T. Layton”

Title: Chief Executive Officer

Date: November 7, 2018

APPENDIX A

INTENTIONALLY DELETED

APPENDIX B

LICENSED PATENTS

[Information regarding licensed patents redacted.]

APPENDIX C

FORM OF ROYALTY REPORT

Period Covered: From: _____ / _____ / _____ Through: _____ / _____ / _____
 Prepared By: _____ Date: _____
 Approved By: _____ Date: _____

Country	Gross Sales	* Less: Allowances	Net Sales	Royalty Rate	Period Royalty Amount	
					This Year	Last Year
U.S.A.						
TOTAL:						

Permitted Sublicense Income (if any) this quarter: US\$_____ (attach page showing names, addresses, and telephone numbers; amount and type of fees received; territory; field of use; description of any non-cash consideration)

Total Payments: US\$_____

APPENDIX D

SORCIA CAP TABLE

Sorcja Minerals LLC:

Ensorcja Metals Corporation	70%
International Battery Metals, Inc.	10%
Chemphys	20%

Sorcja Minerals LLC holds a 90% equity position in Ensorcja Chile SpA, the Chilean Affiliate. ENAMI will hold the other 10%.

APPENDIX E

FORM OF IBAT WARRANT

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [•], 2019.

NON-TRANSFERRABLE SHARE PURCHASE WARRANTS TO PURCHASE UP TO 1,000,000 COMMON SHARES OF

INTERNATIONAL BATTERY METALS LTD.

Warrant No: 2018([•])1

THIS IS TO CERTIFY THAT [Ensorcia Metals Corporation] of [2100 West Loop South, 16th Floor Houston, Texas 77027] (the "Holder") has the non-transferrable right to purchase, upon and subject to the terms and conditions hereinafter referred to, up to 1,000,000 fully paid and non-assessable common shares (the "Shares") in the capital of International Battery Metals Ltd. (the "Company") at the price or prices set out in paragraph 0 below on or before 4:00 p.m. (Mountain Time) on [•], 2020; (the "Expiry Date"). Notwithstanding the foregoing, these Warrants are not exercisable until January 1, 2019 at 12:00 a.m. (Mountain Time).

ONE WARRANT AND \$[•] IS REQUIRED TO PURCHASE ONE COMMON SHARE OF THE COMPANY IF PURCHASED PRIOR TO 4:00 P.M. ON THE EXPIRY DATE.

These Warrants are issued subject to the terms and conditions attached to the Share Purchase Warrants issued by the Company (the "Terms and Conditions") and the warrant holder may exercise the right to purchase Shares only in accordance with those Terms and Conditions. These Warrants are non-transferable.

Nothing contained herein or in the Terms and Conditions will confer any right upon the Holder hereof or any other person to subscribe for or purchase any Shares at any time subsequent to 4:00 o'clock in the afternoon (Mountain Time) on the Expiry Date, and from and after such time, this Warrant and all rights hereunder will be void and of no value.

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by the undersigned, this [•] day of [•], 2018.

INTERNATIONAL BATTERY METALS LTD.

Per: _____
Authorized Signatory

TERMS AND CONDITIONS attached to the Warrants issued by International Battery Metals Ltd.

- INTERPRETATION

Definitions

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

"Company" means **International Battery Metals Ltd.** until a successor company will have become such as a result of a consolidation, amalgamation or merger with or into any other company or companies, or as a result of the conveyance or transfer of all or substantially all of its properties and estates as an entirety to any other company and thereafter "Company" will mean successor corporation;

"Company's Auditors" means an independent firm of accountants duly appointed as Auditors of the Company;

"Director" means a Director of the Company for the time being, and reference, without more, to action by the directors means action by the Directors of the Company as a Board, or whoever duly empowered, action by an executive committee of the Board;

"herein", "hereby" and similar expressions refer to these Terms and Conditions as the same may be amended or modified from time to time; and the expression "Article" and "Section" followed by a number refer to the specified Articles or Section of these Terms and Conditions;

"person" means an individual, corporation, partnership, trustee or any unincorporated organization and words importing person have a similar meaning;

"shares" means the common shares in the capital of the Company as constituted at the date hereof and any shares resulting from any subdivision or consolidation of shares;

"Transfer Agent" means **Computershare Investor Services Inc.** at its Head Office in Vancouver, British Columbia or its successors;

"Warrant Holder" or "Holders" means the holders of the Warrants; and

"Warrants" means the Warrants of the Company issued and presently authorized, as set out in 0 hereof and for the time being outstanding.

Gender

Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

Interpretation not affected by Headings

The division of these Terms and Conditions into Articles and Sections, and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation thereof.

Applicable Law

The Warrants will be construed in accordance with the Laws of the Province of British Columbia and the Laws of Canada applicable thereto and will be treated in all respects as British Columbia contracts.

- ISSUE OF WARRANTS

Issue of Warrants

Warrants entitling the Holders thereof to purchase that number of shares as specified in the Warrant Certificate are authorized to be issued by the Company.

Additional Warrants

The Company may at any time and from time to time issue additional warrants or grant options or similar rights to purchase shares of its capital stock.

Warrant to Rank Pari-Passu

All Warrants and additional Warrants, options or similar rights to purchase shares from time to time issued or granted by the Company, will rank pari-passu whatever may be the actual dates of issue or grant thereof, or of the dates of the certificates by which they are evidenced.

Issue in substitution for Lost Warrants

In case a Warrant becomes mutilated, lost, destroyed or stolen, the Company, at its discretion, may issue and deliver a new Warrant of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated Warrant, or in lieu of, and in substitution for such lost, destroyed or stolen Warrant and the substituted Warrant will be entitled to the benefit hereof and rank equally in accordance with its terms and all other Warrants issued or to be issued by the Company.

The applicant for the issue of a new Warrant pursuant hereto will bear the cost of the issue thereof and in case of loss, destruction or theft, furnish to the Company such evidence of ownership and of loss, destruction or theft of the Warrant so lost, destroyed or stolen as will be satisfactory to the Company in its discretion and such applicant may also be required to furnish indemnity in amount and form satisfactory to the Company in its discretion, and will pay the reasonable charges of the Company in connection therewith.

Warrant Holder Not a Shareholder

The holding of a Warrant will not constitute the holder thereof a shareholder of the Company, nor entitle him to any rights or interest in respect thereof except as in the Warrant expressly provided.

- NOTICE

Notice to the Holder

Any notice to be given to the Holders will be sent by prepaid registered post and will be deemed to have been received by the Holder on the fourth day following the day of posting of the mailing thereof. Any such notice will be addressed to the Holder at the address of the Holder appearing on the Holder's Warrant or to such other address as the Holder may advise the Company of by notice in writing.

Notice to the Company

Any notice to be given to the Company will be sent by prepaid registered post addressed to the Company at its registered office as defined in the *Business Corporations Act* (British Columbia) and will be deemed to have been received by the Company on the fourth day following the mailing thereof, provided that if there shall be at the time of mailing or between the time of mailing and the actual receipt of the notice, a labour dispute, slow down, or other disruption which might affect the normal delivery of such notice by mails, then such notice shall only be effective if and when received by the Company.

- EXERCISE OF WARRANTS

Method of Exercise of Warrants

The right to purchase shares conferred by the warrants may be exercised by the Holder of such Warrant surrendering it, with a duly completed and executed subscription in the form on the reverse of the Warrant certificates and cash or a certified cheque payable to or to the order of the Company, at par in Vancouver, British Columbia, for the purchase price applicable at the time of surrender in respect of the shares subscribed for in lawful money of Canada, to the Transfer Agent at its principal office in the City of Vancouver, British Columbia, or to the Company at its offices.

Effect of Exercise of Warrants

Upon surrender and payment as aforesaid, the shares so subscribed for will be deemed to have been issued and such person or persons will be deemed to have become the holder or holders of record of such shares on the date of such surrender and payment, and such shares will be issued at the subscription price in effect on the date of such surrender and payment and subject to any resale restrictions required under any applicable securities legislation or any applicable stock exchange policies or rules.

Within ten (10) business days after surrender and payment as aforesaid, the Company will forthwith cause to be delivered to the person or persons in whose name or names the shares so subscribed for are to be issued as specified in such subscription, a certificate or certificates for the appropriate number of shares not exceeding those which the Warrant Holder is entitled to purchase pursuant to the Warrant surrendered.

Subscription for Less than Entitlement

The holder of any Warrant may subscribe for and purchase a number of shares less than the number which he is entitled to purchase pursuant to the surrendered Warrant. In the event of any purchase of a number of common shares less than the number which can be purchased pursuant to a Warrant, the holder thereof upon exercise thereof will in addition be entitled to receive a new Warrant in respect of the balance of the shares which he was entitled to purchase pursuant to the surrendered Warrant and which were not then purchased.

Warrants for Fractions of Shares

To the extent that the holder of any Warrant is entitled to receive on the exercise or partial exercise thereof a fraction of a common share, such right may be exercised in respect of such fraction only in combination with another Warrant or other Warrants which in the aggregate entitle the holder to receive a whole number of such common shares.

Expiration of Warrants

After the expiration of the period within which a Warrant is exercisable, all rights thereunder will wholly cease and terminate and such Warrant will be void and of no effect.

Time of Essence

Time will be of the essence hereof.

Subscription Price

One Warrant and \$[●] are required to purchase each share if purchased on or before the Expiry Date, however, the Warrants are not exercisable until January 1, 2019 at 12:00 a.m. (Mountain Time).

Adjustment of Exercise Price

The exercise price and the number of common shares deliverable upon the exercise of the Warrants will be subject to adjustment in the event and in the manner following:

If and whenever the shares at any time outstanding are subdivided into a greater or consolidated into a lesser number of shares the exercise price will be decreased or increased proportionately as the case may be; upon any such subdivision or consolidation the number of shares deliverable upon the exercise of the Warrants will be increased or decreased proportionately as the case may be.

- (1) In case of any reorganization or of any reclassification of the capital of the Company or in the case of consolidation, merger or amalgamation of the Company with or into any other Company (hereinafter collectively referred to as a "Reorganization"), each Warrant will after such Reorganization confer the right to purchase the number of shares or other securities of the Company (or of the Company resulting from such Reorganization) which the Warrant Holder would have been entitled to upon Reorganization if the Warrant Holder had been a shareholder at the time of such Reorganization.

In any such case, if necessary, appropriate adjustments will be made in the application of the provisions of this 0 relating to the rights and interest thereafter of the holders of the Warrants so that the provisions of this Article will be made applicable as nearly as reasonable possible to any shares or other securities deliverable after the Reorganization on the exercise of the Warrants.

The subdivision or consolidation of shares at any time outstanding into a greater or lesser number of shares (whether with or without par value) will not be deemed to be a Reorganization for the purposes of this paragraph (1).

The adjustments provided for in this Section are cumulative and will become effective immediately after the record date for or, if no record date is fixed, the effective date of the event which results in such adjustments.

Determination of Adjustments

If any questions will at any time arise with respect to the exercise price or any adjustment provided for in 0, such question will be conclusively determined by the Company's Auditors, or, if they decline to so act any other firm of Chartered Accountants in Vancouver, British Columbia, that the

Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and the holders of the Warrants.

- COVENANTS BY THE COMPANY

Reservation of Shares

The Company will reserve and there will remain unissued out of its authorized capital a sufficient number of shares to satisfy the rights of purchase provided for herein and in the Warrants should the holders of all the Warrants from time to time outstanding determine to exercise such rights in respect of all shares which they are or may be entitled to purchase pursuant thereto and hereto.

Company may Purchase

The Company may from time to time offer to purchase and purchase, for cancellation only, any Warrants in such manner, from such persons and on such terms and conditions as it determines.

- WAIVER OF CERTAIN RIGHTS

Immunity of Shareholders, etc.

The Warrant Holder, as part of the consideration for the issue of the Warrants, waives and releases and will not have any rights, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future incorporator, shareholder, director or officer (as such) of the Company for the issue of shares pursuant to any Warrant or on any covenant, agreement, representation or warranty by the Company herein contained or in the Warrant.

- MODIFICATION OF TERMS, MERGER, SUCCESSORS

Modification of Terms and Conditions for Certain Purposes

From time to time the Company may, subject to the provisions of these Terms and Conditions, modify the Terms and Conditions herein for the purpose of correction or rectification of any ambiguities, defective provisions, errors or omissions herein.

Transferability

The Warrant and all rights attached to it are not transferable or assignable.

- LEGENDS ON SHARES

Any certificate representing Shares issued upon the exercise of the Warrants prior to the date that is four months and a day after the date of issuance of the Warrant, will bear the following legends:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [●], 2019.”

FORM OF SUBSCRIPTION

TO:

Computershare Investor Services Inc.
510 Burrard Street, 3rd Floor
Vancouver, B.C. V6C 3B9

The undersigned holder of Share Purchase Warrants hereby subscribes for _____ common shares of **International Battery Metals Ltd.** (the "Company") at \$_____ per share on the terms and conditions specified in the Share Purchase Warrants. This subscription is accompanied by a certified cheque or bank draft payable to or to the order of the Company for the whole amount of the purchase price of the shares.

The undersigned hereby directs that the shares be registered as follows:

Name(s) in Full	Number of Shares

(Please print full name in which share certificates are to be issued, stating whether Mr., Mrs. or Miss.)

Dated this _____, 201__.

Signature of Witness

Signature of Warrant Holder

Print name of Witness

Address of Witness, in full

INSTRUCTIONS FOR SUBSCRIPTION

The signature to this subscription must correspond in every particular with the name written upon the face of the Warrant without alteration or enlargement or any change whatsoever must be guaranteed by a chartered bank or a broker who is a member of a recognized stock exchange or by some other person satisfactory to Computershare Investor Services Inc.

In the case of persons signing by agent or attorney or by personal representative(s), the authority of such agent, attorney or representative(s) to sign must be proven to the satisfaction of Computershare Investor Services Inc. If the Warrant Certificate and the form of subscription are being forwarded by mail, registered mail must be employed.

APPENDIX F

LIST OF BURBA PATENTS

	US Patent #	Inventor(s)	Title
1	4,348,295	John L Burba, III	Crystalline Lithium Aluminates
2	4,340,097	John L Burba, III	Crystalline Lithium Aluminates
3	4,461,714	John L Burba, III	Method of Making 2-layer Lithium Aluminates
4	4,472,362	John L Burba, III	Regeneration of Crystalline Lithium Aluminates
5	4,477,367	John L Burba, III	Crystalline 2-layer lithium-hydroxy aluminates
6	4,540,509	John L Burba, III	Crystalline 3-layer lithium aluminates
7	4,727,167	John L Burba, III	Intercalations of crystalline lithium aluminates
8	4,812,245	John L Burba, III	Intercalations of crystalline lithium aluminates
9	4,910,246	John L Burba, III	Intercalations of crystalline lithium aluminates
10	5,389,349	William C. Bauman, John L Burba	Recovery of Lithium Values from Brine
11	6,280,693	William C. Bauman, John L Burba	Composition for the Recovery of Lithium Values from Brine and Process of Making/using said Composition