

OPTION AND JOINT VENTURE AGREEMENT

made between

IBERAMERICAN LITHUM INC.

and

STTRATEGIC MINERALS EUROPE CORP.

and

STRATEGIC MINERALS SPAIN S.L.U.

Effective December 28, 2022

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OPTION AND JOINT VENTURE AGREEMENT

THIS AGREEMENT is effective as of the 28th day of December, 2022

AMONG:

IBERAMERICAN LITHIUM INC., a corporation existing under the laws of the Province of Ontario,

(the “**Optionee**”)

AND:

STRATEGIC MINERALS EUROPE CORP., a corporation existing under the laws of the Province of Ontario,

(the “**Optionor**”)

AND:

STRATEGIC MINERALS SPAIN, S.L.U., a company organized under the laws of Spain,

(“**SMS**”)

WHEREAS:

- A. SMS owns and controls the Lithium Project (as hereinafter defined);
- B. the Optionor has incorporated under the laws of Spain a wholly-owned subsidiary named IberAmerican Lithium Spain, S.L. (“**Lithium HoldCo**”) into which SMS will transfer all of its rights, title and interest in the Lithium Project;
- C. the Optionor will be the registered and beneficial owner of all of the issued and outstanding Lithium HoldCo Shares (as hereinafter defined);
- D. the Optionor wishes to grant to the Optionee the Option (as hereinafter defined) to acquire 70% of the outstanding Lithium HoldCo Shares, pursuant to the terms and subject to the conditions contained herein; and
- E. upon the exercise by the Optionee of the Option, the Optionor and the Optionee wish to enter into the Joint Venture (as hereinafter defined) in respect of the exploration, development, exploitation and operation of the Lithium Project.

NOW THEREFORE, in consideration of the premises and the mutual agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

- (1) The following capitalized words and phrases when used herein have the following meanings:
- (a) “**Affiliate**” means any person, partnership, joint venture, corporation or other form of enterprise which directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, “control” means possession, directly or indirectly, of the power to direct or cause the direction of management and policies through ownership of voting securities, contract, voting trust or otherwise.
 - (b) “**Agreement**” means this option and joint venture agreement, including the recitals, schedules and appendices hereto, as may be amended in writing from time to time.
 - (c) “**Applicable Canadian Securities Laws**” means all applicable securities, stock exchange, corporate and other laws in Canada and all rules, regulations, notices, policies, instruments, blanket orders and rulings in Canada or adopted by the securities commissions or similar regulatory authorities in the provinces of Canada.
 - (d) “**Applicable Laws**” means any law, legislation, statute, ordinance, code, order, decree, directive, judgment, award, decision, injunction, licence, permit, approval, rule, regulation and any interpretation of or determination in respect of any of the foregoing by any Governmental Entity having jurisdiction over the matter in question.
 - (e) “**Assets**” has the meaning ascribed to it in Section 3.1(8).
 - (f) “**Authorization**” means, with respect to any person, any authorization, order, permit, approval, grant, licence, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, or by-law, rule or regulation of any Governmental Entity, whether or not having the force of law, having jurisdiction over such person.
 - (g) “**Benefit Plans**” means all compensation, bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, vacation pay, hospitalization or other medical, health and welfare benefits, life or other insurance, dental, eye care, disability, salary continuation, supplemental unemployment benefits, profit-sharing, mortgage assistance, employee loan, employee discount, employee assistance, counselling, pension, retirement or supplemental retirement benefit plan, arrangement or agreement, including any defined benefit or defined contribution pension plan and any group registered retirement savings plan, and any other similar employee benefit plan, arrangement or agreement, whether oral or written, formal or informal, funded or unfunded, including policies with respect to holidays, sick leave, long-term disability, vacations, expense reimbursements and automobile allowances and rights to company-provided automobiles, that are sponsored or maintained or contributed to or required to be contributed to by Lithium HoldCo, for the benefit of any of the employees, former employees or beneficiaries of any of them, whether or not insured and whether or not subject to any Applicable Law, except that the term

“Benefit Plans” shall not include any statutory plans with which Lithium HoldCo is required to comply.

- (h) **“Books and Records”** means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporation and its business.
- (i) **“Business Day”** means any day which is not a Saturday or Sunday on which commercial banks are open for business in Toronto, Ontario and Madrid, Spain.
- (j) **“Claim”** means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.
- (k) **“Closing Payment”** has the meaning ascribed to it in Section 2.1(2).
- (l) **“Confidential Information”** has the meaning given to it in Section 9.1(1).
- (m) **“Closing Document”** means any document or instrument delivered together with this Agreement or at or subsequent to the Option Closing as provided in or pursuant to this Agreement.
- (n) **“Corporate Records”** means the corporate records of a corporation, including (i) all articles, by-laws or other constituting documents, any unanimous shareholders’ agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, directors and any committee thereof; (iii) the share certificate books, register of shareholders, register of transfers and register of directors; and (iv) all accounting records.
- (o) **“Disclosed”** means fairly disclosed to the Optionee in this Agreement and “fairly” means disclosed in such a manner as would enable a reasonably diligent purchaser of shares to make a reasonable assessment of the nature and scope of the matter in question and “Disclose” shall be construed accordingly.
- (p) **“Environmental Law”** means any Applicable Law relating to the environment and the protection of workers including those pertaining to: (a) reporting, licensing, permitting, investigating, remediating and cleaning up in connection with any presence or release, or the threat of the same, of Hazardous Substances; (b) the generation, manufacture, processing, distribution, use, re-use, treatment, storage, disposal, transport, labelling, handling and the like of Hazardous Substances or (c) the protection of communities or its people.
- (q) **“Expenditures”** means all costs and expenses of whatever kind or nature spent or incurred by or on behalf of the Optionee from the date hereof in the conduct of exploration, evaluation, development and exploitation activities on or in relation to the Lithium Project including,:

- (i) in holding the Lithium Project in good standing (including any monies expended as required to comply with Applicable Laws and regulations, such as for the completion and submission of assessment work and filings required in connection therewith), to promote relations with the communities located in, on or within the area of influence of the Lithium Project, in curing title defects and in acquiring and maintaining Mining Rights and other ancillary rights;
 - (ii) in preparing for and in the application for and acquisition of environmental and other permits necessary or desirable to commence and complete exploration, evaluation and development activities on the Lithium Project;
 - (iii) in doing geophysical, geological and land surveys, drilling, sampling, assaying and metallurgical testing, including costs of assays, metallurgical testing and other tests and analyses to determine the quantity and quality of minerals, water and other materials or substances;
 - (iv) including any preliminary economic assessment, pre-feasibility or feasibility study or other study or evaluation in respect of the Lithium Project and the placing of the Lithium Project into commercial production;
 - (v) in acquiring facilities or the use thereof and for all parts, supplies and consumables;
 - (vi) for salaries and wages, including actual labour overhead expenses for employees assigned to exploration and development activities;
 - (vii) travelling expenses and fringe benefits (whether or not required by Law) of all persons engaged in bona fide work with respect to and for the benefit of the Lithium Project including for their food, lodging and other reasonable needs;
 - (viii) payments to contractors or consultants for work done, services rendered or materials supplied; and
 - (ix) all taxes levied against or in respect of the Lithium Project or activities thereon and the cost of insurance premiums and performance bonds or other security.
- (r) **“Governmental Entity”** means (i) any multinational, federal, provincial, state, municipal, local or other governmental or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
- (s) **“Hazardous Substance”** means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the environment, injure or damage property or plant or animal life or harm or impair the health of any individual.
- (t) **“Incorporation Date”** has the meaning ascribed to it in Section 2.2.
- (u) **“Indemnified Party”** has the meaning ascribed to it in Section 10.4(1).

- (v) **“Indemnifying Party”** has the meaning ascribed to it in Section 10.4(1).
- (w) **“Insurance Policies”** has the meaning ascribed to it in Section 3.1(28).
- (x) **“Interim Period”** has the meaning ascribed to it in Section 4.1(1).
- (y) **“Joint Venture”** means the joint venture between the Optionor and the Optionee in respect of the exploration, development, exploitation and operation of the Lithium Project to be formed pursuant to Article 7 and the JV Agreement.
- (z) **“JV Agreement”** means the terms and conditions set out in Schedule 1.1(xx) to this Agreement, as amended in writing from time to time.
- (aa) **“Liabilities”** means all costs, expenses (including wages, vacation pay and overtime pay), charges, debts, liabilities, Claims, losses, damages, adverse claims, fines, penalties, demands and obligations, assessments or reassessments of any kind or nature (including any deferred or future liability for Taxes), whether primary or secondary, direct or indirect, known or unknown, asserted or unasserted, fixed, contingent or absolute, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise, voluntarily incurred or otherwise, whenever asserted, and including all costs and expenses relating thereto including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation.
- (bb) **“Lien”** means any lien, security interest, mortgage, charge, deed of trust, encumbrance, security interest, hypothec, pledge, net profits interest, royalty, title retention agreement or arrangement, royalty, restrictive covenant or other claim, whether registered or unregistered, and whether arising by agreement, statute or otherwise, of any and every nature or kind whatsoever and any rights or privileges capable of becoming any of the foregoing.
- (cc) **“Lithium HoldCo”** has the meaning ascribed to it in the recitals to this Agreement.
- (dd) **“Lithium HoldCo Shares”** means the shares (*participaciones sociales*) in the capital of Lithium HoldCo.
- (ee) **“Lithium Permits”** means (i) investigation permit N° 5186 “Alberta II” granted by Xunta to SMS, the renewal of which by the Xunta is pending; and (ii) application by SMS to the Xunta for investigation permit N° 5191 “Carlota”, which is pending.
- (ff) **“Lithium Project”** means the lithium exploration project to be owned and controlled by Lithium HoldCo, which, pursuant to the Lithium Permits, consists of the Alberta II and Carlota permit areas and, after the date of this Agreement, includes any Mining Rights which become a part of the Lithium Project, together with any renewal of any of such Mining Rights and any other form of successor or substitute title therefore.
- (gg) **“Lithium Project Entities”** means together, SMS and Lithium HoldCo.
- (hh) **“Losses”** means losses, damages, liabilities, deficiencies, Claims, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges on a solicitor-client basis and the cost of enforcing any right

to indemnification hereunder and the cost of pursuing any insurance providers; *provided that* “Losses” shall not include punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Entity or other third party.

- (ii) “**Material Adverse Effect**” means with respect to any person any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable), event, violation, inaccuracy, circumstance or effect that is materially adverse to the business, assets (including intangible assets), liabilities, capitalization, ownership, financial condition or results of operations of such person, taken as a whole, whether or not arising in the ordinary course of business; provided, that for purposes of determining whether a Material Adverse Effect shall have occurred, the following changes, events, violations, inaccuracies, circumstances and effects shall be excluded (except, in the case of clauses (i), (ii), (iii), (iv) or (vi), to the extent that such changes, events, violations, inaccuracies, circumstances and effects disproportionately adversely affects such person as compared to other persons or businesses that operate in the industry in which such person operates): (i) changes or developments in general economic, regulatory or political conditions or in the securities, credit, foreign exchange or financial markets in general; (ii) changes or developments in or affecting the industry in which such person operates, including any adverse weather events or conditions; (iii) the failure of such person to meet projections or forecasts (provided that the underlying causes of such failure may be considered in determining whether there has occurred a Material Adverse Effect); (iv) any national or international political event or occurrence, including acts of war or terrorism; (v) changes in accounting standards or the interpretation thereof; (vi) changes in Applicable Laws; or (vii) the announcement or the pendency of this Agreement and the transactions contemplated hereunder.
- (jj) “**Mining Rights**” means either freehold title, mining leases, mining concessions, mining claims or participating interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which a particular property is located, including, all rights under the Lithium Permits.
- (kk) “**Option**” has the meaning ascribed to it in Section 2.1(1).
- (ll) “**Option Closing**” means the closing of the Option pursuant to the terms and subject to the conditions contained herein.
- (mm) “**Option Closing Date**” shall be the date of this Agreement, or any other such date as the Parties may mutually agree.
- (nn) “**Option Closing Time**” means 11:00 a.m. (Toronto time) on the Option Closing Date.
- (oo) “**Option Shares**” has the meaning ascribed to it in Section 2.1(1).
- (pp) “**Optionee Indemnitees**” has the meaning ascribed to it in Section 10.2.
- (qq) “**Option Exercise Notice**” has the meaning ascribed to it in Section 2.1(3).
- (rr) “**Optionor Indemnitees**” has the meaning ascribed to it in Section 10.3.

- (ss) **“Order”** means any order, directive, judgment, decree, award or writ of any Governmental Entity.
- (tt) **“Parties”** means the parties to this Agreement and **“Party”** means any one of them.
- (uu) **“Permitted Lien”** means (i) Liens for taxes, assessments or governmental charges or levies on property not yet due and delinquent; (ii) easements, encroachments and other minor imperfections of title which do not, individually or in the aggregate, detract from the value of, or impair the use or marketability of, the Lithium Project; and (iii) the Liens disclosed in Schedule 1.1(zz) attached to this Agreement.
- (vv) **“person”** means an individual, firm, trust, partnership, association, corporation, government or governmental board, department, agency or authority and the heirs, executors, administrators or other legal representatives of an individual.
- (ww) **“Purchase Payments”** has the meaning ascribed to it in Section 2.1(2).
- (xx) **“Representative”** means, all, directors, officers and employees of such person or its Affiliates.
- (yy) **“Shareholders’ Agreement”** means the terms and conditions set out in Schedule 1.1(yy) to this Agreement, as amended in writing from time to time.
- (zz) **“Standstill Period”** has the meaning ascribed to it in Section 4.2(1).
- (aaa) **“Taxes”** means, all taxes, including all income tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes, custom and land transfer taxes and all duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto.
- (bbb) **“Tax Returns”** means all returns, reports, declarations, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Entity, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.
- (ccc) **“Third-Party Claim”** has the meaning ascribed to it in Section 10.4(2).
- (ddd) **“Title Opinion”** means the title opinion delivered by the Optionor to the Optionee as of the date hereof, confirming, among other things: (i) the validity and existence of all Mining Rights comprising the Lithium Permits; and (ii) that such Mining Rights have been registered (or re-registered, if necessary), in the name of Lithium HoldCo in the Explorations Registry book of the local mining authority.
- (eee) **“Transfer Deed”** means a share (*quota*) transfer deed, substantially in the form attached hereto as Exhibit C, duly notarized so as to be a public deed under the laws of Spain.
- (fff) **“Xunta”** means the Xunta de Galicia, being the Spanish mining regulatory authority with jurisdiction in respect of the Mining Rights comprising the Lithium Project.

1.2 Interpretation

For purposes of this Agreement: (a) the words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Unless otherwise specified, all dollar amounts in this Agreement, including the symbol “\$”, refer to Canadian dollars.

1.3 Headings

The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

1.4 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party or words to similar effect such representation or warranty shall be deemed to include a statement as follows:

- (i) in respect of the Optionor or Lithium HoldCo, that each such entity has made due and diligent enquiry as are reasonably necessary as to the matters that are the subject of the representations and warranties and shall include the actual knowledge of Jaime Perez Branger; or
- (ii) in respect of the Optionee that it has made due and diligent enquiry as are reasonably necessary as to the matters that are the subject of the representations and warranties and shall include the actual knowledge of Eugene McBurney.

1.5 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule 1.1(z)	JV Agreement
Schedule 1.1(yy)	Shareholders' Agreement
Schedule 2.1(2)	Promissory Note

The Schedules have been arranged, for purposes of convenience only, as separately titled Schedules corresponding to the applicable Sections of this Agreement.

1.6 Exhibits

The Exhibits as listed below and attached to this Agreement upon signing are draft standard forms of such Exhibits. For the avoidance of doubt, the terms of such agreements as actually executed and delivered by the Parties thereto shall govern and supersede the terms of the agreements attached as Exhibits.

Exhibit A	Option Exercise Notice (form of)
Exhibit B	Resignation and Release (form of)
Exhibit C	Transfer Deed (form of)

ARTICLE 2 GRANT OF OPTION

2.1 Option

- (1) The Optionor hereby grants to the Optionee the irrevocable exclusive right and option to subscribe (the “**Option**”) for such number of new Lithium HoldCo Shares which, post-issuance, will represent 70% of the issued and outstanding Lithium HoldCo Shares (the “**Option Shares**”), subject to the terms and conditions contained herein.
- (2) Subject to Section 2.1(3), the Optionee shall, as a condition precedent to the exercise of the Option and acquisition of the Option Shares, pay \$1,000,000 to the Optionor upon execution of this Agreement (the “**Closing Payment**”) and deliver a non-interest bearing promissory note in the amount of \$1,000,000 (the “**Promissory Note**”, a form of which is attached hereto as Schedule 2.1(2)), which note shall become due and payable on February 15, 2023 (the Closing Payment and the Promissory Note shall be called the “**Purchase Payments**” herein) to the Optionor.
- (3) Subject to the terms and conditions contained herein, the Optionee may exercise the Option by delivering to the Optionor a written notice in the form of Exhibit A attached hereto (the “**Option Exercise Notice**”) by no later than February 15, 2023, after which date the Option shall terminate and be of no further force or effect. Such Option Exercise Notice shall be irrevocable once delivered by the Optionee to the Optionor.
- (4) The Optionee shall not be permitted to exercise the Option if the Optionee is in material breach of this Agreement.

2.2 Option Shares and Lithium Permits Held in Trust Until Transfer

The Parties acknowledge that, notwithstanding the exercise of the Option, it may take some time to incorporate Lithium HoldCo, and transfer the Lithium Permits to Lithium HoldCo, and therefore agree that immediately upon the exercise of the Option the Optionor and SMS, as applicable, shall hold (a) the Option Shares in trust for and on behalf of the Optionee until Lithium HoldCo has been incorporated (the “**Incorporation Date**”) and the Option Shares have been issued to the Optionee, and (b) the Lithium Permits in trust for and on behalf of Lithium HoldCo until the Lithium Permits have been transferred to Lithium HoldCo. For the avoidance of doubt, at the Option Closing Time, all right, title and interest to the Lithium Permits shall be deemed to be beneficially owned by Lithium HoldCo even if legal transfer of title to the Lithium Permits has not been completed.

2.3 Option Only

For greater certainty, under this Agreement the Optionee has acquired an option only and all actions necessary to be taken to exercise such options, including the making of the Purchase Payments, are entirely at the discretion of the Optionee.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties Regarding Lithium HoldCo and the Lithium Project

The Optionor represents and warrants to the Optionee as set out in this Section 3.1, and acknowledges and confirms that the Optionee is relying on such representations and warranties in connection with the transactions contemplated by this Agreement.

(1) Due Incorporation, Existence and Corporate Power of Lithium HoldCo

Lithium HoldCo is or on the Incorporation Date will be a corporation duly incorporated, validly existing and in good standing under the Applicable Laws of Spain. No steps or proceedings have been taken to authorize or require the discontinuance or dissolution of Lithium HoldCo or, to the Optionor's knowledge, the bankruptcy, insolvency, liquidation or winding up of Lithium HoldCo. Lithium HoldCo has all necessary corporate power and authority to own or lease its properties, to carry on its business as presently being conducted by it, to enter into the agreements or instruments to which it is or is to become a party and to perform its obligations thereunder.

(2) Qualification

The Kingdom of Spain is the only jurisdiction in which Lithium HoldCo is or will be licensed or registered to carry on business, and Lithium HoldCo is or will be duly licensed or registered to carry on business and has submitted or will submit all notices or returns of corporate information and other filings required by Applicable Laws to be submitted by it to any Governmental Entity in such jurisdiction.

(3) Authorized Capital of Lithium HoldCo

As of the Incorporation Date, the authorized capital of Lithium HoldCo consists of 300 Lithium HoldCo Shares, all of which are, and will be at the Option Closing Time, duly issued and outstanding as fully paid and non-assessable and registered in the name of the Optionor. All of the Lithium HoldCo Shares were issued without violation of the terms of any agreement or other understanding to which Lithium HoldCo is or was a party and were issued in compliance with all Applicable Laws. No person has or will have any option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege issued or granted by Lithium HoldCo (whether by Applicable Laws, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement for the purchase, subscription, allotment or issuance of any Lithium HoldCo Shares or of any other securities of Lithium HoldCo.

(4) Validity of Agreement

- (a) all corporate actions taken by Lithium HoldCo or required to be taken by Lithium HoldCo in connection with this Agreement and the other Closing Documents, including the registration of the issue of the Option Shares in the books and records of Lithium HoldCo and the execution, delivery and performance by Lithium HoldCo under any Closing

Documents to which it is or is to become a party pursuant to the terms hereof, and the consummation of the transactions contemplated hereunder and thereunder:

- (i) will have been duly authorized by the board of directors or equivalent governing body of Lithium HoldCo and by all other necessary corporate action on the part of Lithium HoldCo, including approval of Lithium HoldCo's equityholders, if required by Applicable Laws prior to the Option Closing Date; and
 - (ii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation or a breach of, or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligation under: (A) any charter, by-law or trust deed instruments of Lithium HoldCo, as applicable, (B) any mortgage, note, indenture contract, instrument, lease, licence or permit to which Lithium HoldCo is a party or under which Lithium HoldCo is bound or to which any property or material assets of Lithium HoldCo is subject, (C) any Applicable Laws to Lithium HoldCo, or (D) any judgment, decree or order binding Lithium HoldCo or its property or material assets.
- (b) As of the Option Closing Time, any Closing Document delivered as of that date, and as of the Incorporation Date, each Closing Document delivered has been or will be duly authorized, executed and delivered by the Optionor and Lithium HoldCo and is or will be at each such time, as applicable, a legal, valid and binding obligation of the Optionor enforceable against the Optionor in accordance with its terms.

(5) Restrictive Documents

Lithium HoldCo is not, or will not be, subject to, or a party to, any charter, by-law or trust deed restriction, any Applicable Laws, any Claim, any contract or instrument, any Lien or any other restriction of any kind or character which would prevent the consummation of the transactions contemplated by this Agreement, and the compliance by the Optionor with the terms, conditions and provisions hereof.

(6) Corporate Records

The Corporate Records of Lithium HoldCo are and will be complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all Applicable Laws and with the constating documents of Lithium HoldCo in each case in all material respects, and without limiting the generality of the foregoing (but subject to the materiality qualifiers set forth herein), (i) the minute books contain complete and accurate minutes of all meetings of the directors and shareholders of Lithium HoldCo held since the incorporation thereof, and all such meetings were duly called and held; (ii) the minute books contain all written resolutions passed by the directors and shareholders of Lithium HoldCo and all such resolutions were duly passed; (iii) the share certificate books, register of shareholders and register of transfers of Lithium HoldCo are complete and accurate, and all such transfers have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of Lithium HoldCo were duly elected or appointed as the case may be.

(7) Investments and Other Interests

Lithium HoldCo:

- (a) has no subsidiaries;
- (b) has no legal or beneficial right in, and has not agreed to acquire, subscribe for or take up, any shares or other securities in any company, any units in any unit trust or any other ownership interests in any other entity;
- (c) is not a member of or party to any joint venture, consortium, partnership or unincorporated association, other than a recognized trade association; and
- (d) is not party to any agreement for participation with any other person in any business activity deriving profits, commissions or other income.

(8) Title to Assets

- (a) The Optionor has provided to the Optionee a full and complete list of all of the Mining Rights in respect of the ore bodies and minerals located in properties comprising the Lithium Project, together with a list of all other material assets owned by the Lithium Project Entities (the “**Assets**”).
- (b) The Lithium Project Entities have or will have good and marketable title to, and have legal and beneficial ownership of all of, the Assets, in each case free and clear of all Liens, except for Permitted Liens. The Lithium Project Entities hold (and SMS is the current registered owner of) all the Mining Rights in respect of the ore bodies and minerals located in properties comprising the Lithium Project under valid, subsisting and enforceable documents or recognized and enforceable agreements or instruments sufficient to permit the Lithium Project Entities to explore the minerals located in such properties. The Lithium Project Entities have made all filings and paid all rentals, assessments, payments and other fees necessary to maintain the good standing of the Assets. All material property, options, leases or claims in which the Lithium Project Entities have or will have an interest or right have been validly located and recorded in accordance with all Applicable Laws and are valid and subsisting.

(9) No Options Regarding Assets or Property

No person has any agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment to purchase or otherwise acquire, directly or indirectly, any of Lithium HoldCo’s Assets and there are no actual, alleged or, to the knowledge of the Optionor, potential or future Claims against or to, the ownership of, or title to, Lithium HoldCo’s Assets, nor is there any basis for any of the foregoing; and there are no Claims in progress, pending, or to the knowledge of the Optionor, threatened, that would reasonably be expected to result in the variation, revocation, cancellation or suspension of (including, ownership of, or title to) any Mining Rights in respect of the ore bodies and minerals located in the properties comprising the Lithium Project.

(10) Lithium Permits

- (a) The Lithium Project Entities have legal and beneficial ownership of the Lithium Permits.

- (b) The Lithium Permits are registered in the name of SMS in the mining registries of the Xunta.
- (c) There are no outstanding Claims relating to the Lithium Permits that may reasonably be expected to result in Xunta cancelling or revoking such permit.

(11) Real Property

Except pursuant to the Lithium Permits, the Lithium Project Entities do not own, nor has they ever owned, or had any interest, in any real or immovable property. Lithium HoldCo is not a party to or bound by or subject to any contract or option respecting the acquisition or sale of any real or immovable property. Except any leases disclosed in writing to the Optionee by the Optionor, Lithium HoldCo is not a party to or bound by or subject to any real property lease or other right of occupancy relating to real property, whether as lessor or lessee and Lithium HoldCo has not agreed to become bound to enter into any real property lease or other right of occupancy relating to real property, whether as lessor or lessee. The Lithium Project and the premises that are the subject of such leases constitute all real property used or occupied by Lithium HoldCo. To the knowledge of the Optionor, the existing use of the Lithium Project and such premises by the Lithium Project Entities and all leasehold improvements located thereon comply with Applicable Laws, including any zoning by-laws and building codes.

To the knowledge of the Optionor, all of the plant, buildings, structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lithium Project or the premises that are the subject of the leases identified in the preceding paragraph are in good operating condition and in a state of good maintenance and repair (reasonable wear and tear expected having regard to age), are adequate and suitable for the purposes for which they are currently being used by the Lithium Project Entities and, to the knowledge of the Optionor, the operation, use or maintenance thereof, does not violate any restrictive covenant or any provision of any Applicable Laws or encroach on any property owned by others.

(12) Compliance

Lithium HoldCo will conduct its business in material compliance with its constitution and all Applicable Laws of each jurisdiction in which its business is carried on, and to Lithium HoldCo's knowledge, there are no facts that could give rise to a notice of non-compliance by Lithium HoldCo with any Applicable Laws. Lithium HoldCo is not in breach of any Order. Lithium HoldCo has not been notified by any Governmental Entity of any investigation with respect to it that is pending or threatened, nor has any Governmental Entity notified Lithium HoldCo of such Governmental Entity's intention to commence or to conduct any investigation in respect of Lithium HoldCo.

(13) Environmental Compliance

- (a) The current and past operations of the Lithium Project have been and are in material compliance with all Environmental Laws and to the knowledge of the Optionor, there are no facts that could give rise to a notice of non-compliance at the Lithium Project with any Environmental Law.
- (b) Neither the Lithium Project Entities nor the Optionor has received any notice and, to the knowledge of the Optionor, there are no facts that could give rise to any notice, that any of them is potentially responsible for any remedial or other corrective action or any work, repairs, construction or capital expenditures to be made under any Environmental Law with respect to the Lithium Project.

- (c) The Lithium Project Entities and the Optionor have made available to the Optionee all environmental audits, assessments, reports and similar reviews, and all correspondence regarding environmental matters, to the extent that such records are in the possession or under the control of the Lithium Project Entities and the Optionor.
- (d) To the knowledge of the Optionor, there is no Hazardous Substance originating from any adjoining or neighbouring properties which has, or is suspected to be, migrating into or under the Lithium Project or otherwise affecting the Lithium Project.

(14) Authorizations

The Lithium Project Entities own, hold, possess or lawfully use in the operation of its business all Authorizations which are necessary for the conduct of its business as presently conducted or for the ownership and use of its Assets and property, free and clear of all Liens, except for Permitted Liens, and in material compliance with all Applicable Laws thereto. The Lithium Project Entities are not in default, nor has the Optionor or the Lithium Project Entities received any notice of any default, with respect to any Authorizations. To the knowledge of the Optionor, no circumstances exist which may result in an Authorization being terminated, suspended or modified.

(15) Consents, etc.

No consent, approval, order or authorization of, or registration or declaration with, any person is required to be obtained, and no notice is required to be delivered (including pursuant to any Applicable Law, required by any Governmental Entity with jurisdiction over the Optionor or the Lithium Project Entities or pursuant to any Material Contract in order for either of the Lithium Project Entities to maintain its rights under such contract), by the Optionor or the Lithium Project Entities in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated herein, except for those consents, orders, authorizations, declarations, registrations, approvals or notices which are expressly contemplated by this Agreement.

(16) Taxes

All Taxes due and payable by either of the Lithium Project Entities relating to the Lithium Project have been paid except for those which are being or have been contested in good faith. All Tax Returns, declarations, remittances and filings required to be filed by either of the Lithium Project Entities relating to the Lithium Project have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of the Optionor, there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by either of the Lithium Project Entities.

(17) Employment and Consulting Arrangements

Lithium HoldCo has no employees or persons receiving compensation for work or services provided to Lithium HoldCo who are not employees (i.e. independent contractors). There are no contracts or other arrangements entitling any employee, former employee, director or consultant of Lithium HoldCo to any change of control, severance, termination or similar payments. There are no Orders which have not been complied with and, to the knowledge of the Optionor, there are no pending or threatened Orders or charges made under any pay equity, employment standards, human rights or occupational health and safety legislation or regulations relating to either of the Lithium Project Entities. The Lithium Project Entities have complied with all Orders issued under any occupational health and safety legislation or regulations. There are no appeals of any Orders under occupational health and safety legislation or regulations relating to either of the Lithium Project Entities which are currently outstanding.

(18) Benefit Plans

Lithium HoldCo has no Benefit Plans.

(19) Material Contracts

- (a) The Optionor has provided to the Optionee a list of all of the contracts to which either of the Lithium Project Entities is a party or that relate to the Assets or Lithium Project (including all royalty agreements, loan and security documents and leases for real or personal property), which: (i) provide for payments or receipts in excess of US\$25,000 during the term of any such contract; (ii) limits the operations of Lithium HoldCo or the Lithium Project, including any exclusivity provision or negative covenant; (iii) that has a term in excess of twelve (12) months that cannot be cancelled without penalty upon the provision of thirty (30) days' notice; or (iv) that are otherwise material to Lithium HoldCo, the Assets or the Lithium Project (collectively, the "**Material Contracts**"). True and complete copies of each of the Material Contracts (including any amendments thereto) have been disclosed to the Optionee.
- (b) To knowledge of the Optionor, each of the Material Contracts is valid, binding and enforceable, is in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the option to purchase and sale of the Option Shares hereunder) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. To the knowledge of the Optionor, (i) none of the Optionor, the Lithium Project Entities or any other party to a Material Contract has violated or breached, in any material respect, any of the terms or conditions of any Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed; and (ii) none of the Optionor, the Lithium Project Entities or any other party to a Material Contract has given any notice terminating or purporting to or advising of an intention to terminate that agreement or arrangement and as far as the Optionor is aware no circumstance exists that may entitle any person to do so.
- (c) Lithium HoldCo is not a party to any agreement or arrangement that:
 - (i) was entered into outside the ordinary course of business of Lithium HoldCo;

- (ii) is with a director, officer, shareholder or employee of Lithium HoldCo (other than employment agreements) or an Affiliate of Lithium HoldCo or that is otherwise with a related party or that is not on arm's length terms;
 - (iii) establishes any joint venture, operating, licensing or other arrangement which restricts or limits the ability of Lithium HoldCo to undertake any activity in any place in any manner as it determines; or
 - (iv) cannot be performed by Lithium HoldCo without undue or unusual expenditure or is expected to result in a loss to Lithium HoldCo upon completion of performance,
- and Lithium HoldCo has not made or received any offer or proposal that remains open for acceptance and if accepted would result in Lithium HoldCo being party to any agreement or arrangement within paragraphs (i) to (iv) above.

(20) Books and Records

All Books and Records of Lithium HoldCo:

- (a) have been fully, properly and accurately kept and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;
- (b) are in the possession or control of Lithium HoldCo; and
- (c) Lithium HoldCo has not received any notice or allegation that any of the Books and Records is incorrect or should be rectified or amended.

(21) Liabilities

Neither the Optionor nor Lithium HoldCo has:

- (a) guaranteed or is otherwise liable for the indemnification, suretyship, assumption, endorsement or like commitment with respect to any Liabilities that are material to the Optionor or Lithium HoldCo (contingent or otherwise) or of any other person;
- (b) provided any letter of comfort to any person in relation to any Liability or the solvency of any other person or in support of the provision of any material loan, credit or other financial accommodation;
- (c) entered into any option, swap, exchange or other derivative or hedging transaction which has not been fully closed out; or
- (d) entered into any other agreement or arrangement for the purpose of obtaining any financial accommodation of a type that is not required to be disclosed as a liability in its financial statements.

(22) Business Carried on in Ordinary Course

Except as expressly contemplated in this Agreement, from its incorporation, Lithium HoldCo will have carried on business in the ordinary course and, in particular and without limitation, Lithium HoldCo will not have:

- (a) transferred, assigned, sold or otherwise disposed of any of its material Assets;
- (b) incurred or assumed any Liabilities (fixed or contingent) other than Liabilities incurred in the ordinary course of business;
- (c) settled any Claim pending against it or any of its Assets;
- (d) discharged or satisfied any Lien, or paid any obligation or Liability (fixed or contingent), and scheduled payments under loan agreements and other contracts;
- (e) suffered any extraordinary loss;
- (f) made any material change with respect to any method of management operation or accounting;
- (g) increased the compensation paid or payable to its employees (other than customary annual increases in accordance with past practice) or except as required by Applicable Laws;
- (h) created or permitted to exist any Lien on any of its Assets, other than Permitted Liens;
- (i) modified, amended or terminated any Material Contract or waived or released any material right which it has or had, other than in the ordinary course of business;
- (j) declared or paid any distribution or dividend or declared or made any other distribution or return of capital in respect of any of its shares (or been deemed under an Applicable Law to have done so) or purchased, redeemed or otherwise acquired any of its shares or equity interests or agreed to do so; or
- (k) authorized or agreed or otherwise become committed to do any of the foregoing.

(23) Debts Owing to Lithium HoldCo

No material borrowings or other indebtedness under any bank facility, overdraft, bond, note, debenture, acceptance credit, sale and lease back, shareholder loan or other arrangement providing financial accommodation of any description are owing to Lithium HoldCo.

(24) Borrowings

Lithium HoldCo does not owe any borrowings or other indebtedness under any bank facility, overdraft, bond, note, debenture, acceptance credit, sale and lease back, shareholder loan or other arrangement providing financial accommodation of any description, and:

- (a) Lithium HoldCo has not received any notice requiring the repayment of any borrowings of this type which are repayable on demand or requiring any borrowings of this type to be repaid before their due date for any reason; and
- (b) there is no event of default and no other circumstance exists that may entitle any person to require early repayment of any borrowings of this type or to enforce any security given by Lithium HoldCo in respect of any borrowings of this type.

(25) Litigation

To the knowledge of the Optionor, there is no Claim, at law, by any person, nor any arbitration, administrative or other proceeding by or before (or to the knowledge of the Optionor, any investigation by) any Governmental Entity pending, or, to the knowledge of the Optionor, threatened against or affecting the Optionor or either of the Lithium Project Entities or the Lithium Project and the Assets. To the knowledge of the Optionor, neither of the Lithium Project Entities is subject to any judgment, order or decree entered in any lawsuit or proceeding related to the Lithium Project.

(26) Orders, Directions and Notices

Neither the Optionor nor the Lithium Project Entities has received any Order from any Governmental Entity or any other person requiring expenditure by the Optionor or Lithium HoldCo or which otherwise may adversely affect Lithium HoldCo's Lithium Project or Assets that has not been complied with in all material respects. To the knowledge of the Optionor, no circumstance exists that may result in any Order of this type being made or direction or notice of this type being given.

(27) Solvency

None of the following events have occurred in relation to either the Optionor or Lithium HoldCo:

- (a) the appointment of a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee in respect of Lithium HoldCo or the Optionor, or any of their assets or anyone else who (whether or not as agent for the Optionor or Lithium HoldCo) is in possession, or has control, of any of the assets of the Lithium HoldCo or the Optionor for the purpose of enforcing a Lien;
- (b) an event that gives any person the right to seek an appointment referred to in paragraph (a) above;
- (c) the making of an application to court or passing of a resolution or an order for the winding up or dissolution of the Optionor or Lithium HoldCo or an event that would give any person the right to make an application of this type;
- (d) neither the Optionor nor Lithium HoldCo proposes to or has taken any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
- (e) neither the Optionor nor Lithium HoldCo has stopped paying its debts when they become due or has declared or taken any positive action to declare itself under any Applicable Laws to be insolvent, or the board of directors of the Optionor or Lithium HoldCo resolving that it is, or is likely to become at some future time, insolvent;
- (f) any person in whose favour the Optionor or Lithium HoldCo has granted any Lien has become entitled to enforce that Lien, or any floating charge under that Lien crystallises; or
- (g) any event under any Applicable Laws which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (f) above.

(28) Insurance

The Lithium Project Entities have provided to the Optionee a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workplace safety

and insurance, workers' compensation, vehicle, directors' and officers' liability, fiduciary liability and other casualty and property insurance maintained by the Optionor or Lithium HoldCo and relating to the Assets, business, operations, employees, officers and directors of Lithium HoldCo (collectively, the "**Insurance Policies**") and true and complete copies of each of the Insurance Policies have been made available to the Optionor. The Insurance Policies are in full force and effect and Lithium HoldCo shall not be in breach of such Insurance Policies, and no notice, termination or consent rights shall be triggered, as a result of the consummation of the transactions contemplated by this Agreement. Neither the Optionor nor Lithium HoldCo has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any Insurance Policies. All premiums due on the Insurance Policies have either been paid or, if due and payable before the Option Closing Time, will be paid before the Option Closing Time in accordance with the payment terms of each Insurance Policy. The Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of Lithium HoldCo. All such Insurance Policies: (a) are valid and binding in accordance with their terms; and (b) have not been subject to any lapse in coverage.

There are no claims under any Insurance Policies as to which coverage has been questioned, denied or disputed, or in respect of which there is an outstanding reservation of rights. Neither the Optionor nor Lithium HoldCo is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by persons conducting a business that is similar to the business of Lithium HoldCo and are sufficient for compliance with all Applicable Laws and contracts to which Lithium HoldCo is a party or by which it is bound.

(29) Banking Information

The Lithium Project Entities have provided to the Optionee the name and location (including municipal address) of each bank, trust company or other institution in which Lithium HoldCo has an account, money on deposit or a safety deposit box and the name of each person authorized to draw thereon or to have access thereto and the name of each person holding a power of attorney from Lithium HoldCo.

(30) Disclosure

As of the date of this Agreement the representations and warranties of the Optionor contained in this Agreement or given pursuant to this Agreement are true and correct in all material respects and do not contain any untrue statement of a material fact.

3.2 Representations and Warranties of the Optionor

The Optionor represents and warrants to the Optionee as set out in this Section 3.2, and acknowledges and confirms that the Optionee is relying on such representations and warranties in connection with the transactions contemplated by this Agreement.

(1) Due Incorporation, Existence and Corporate Power

The Optionor is incorporated and validly existing and in good standing under the laws of the Province of Ontario. No steps or proceedings have been taken to authorize or require the discontinuance or dissolution of the Optionor or, to the Optionor's knowledge, the bankruptcy, insolvency, liquidation or winding up of the Optionor. The Optionor has all necessary corporate power and authority to enter into this Agreement and any other Closing Document to which it is or is to become a party pursuant to the terms hereof and to perform its obligations hereunder and thereunder.

(2) Title to Lithium HoldCo Shares

All of the Lithium HoldCo Shares are, and as at the Option Closing Time will be, owned by the Optionor as the registered and beneficial owner thereof with a good title thereto, free and clear of all Liens. All rights and powers to vote such Lithium HoldCo Shares are held exclusively by the Optionor. The Lithium HoldCo Shares held by the Optionor are validly issued and fully paid, were not issued in violation of the terms of any agreement or other understanding and were issued in compliance with all Applicable Laws. The issue of the Option Shares on the Incorporation Date pursuant to the provisions hereof will transfer to the Optionee valid title to such Lithium HoldCo Shares, free and clear of all Liens.

(3) Options, etc.

Except for the Optionee's rights hereunder, no person has any option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege issued or granted by the Optionor or Lithium HoldCo (whether by Law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement for the purchase from the Optionor of any of the Lithium HoldCo Shares held by it.

(4) Validity of Agreement

- (a) The execution, delivery and performance by the Optionor of this Agreement and the execution, delivery and performance by the Optionor of or under any other Closing Documents to which it is or is to become a party pursuant to the terms hereof, and the consummation of the transactions contemplated hereunder and thereunder:
 - (i) have been duly authorized by all necessary corporate action on the part of the Optionor; and
 - (ii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation or a breach of, or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligation under: (A) any charter, by-law or trust deed instruments of the Optionor, (B) any mortgage, note, indenture contract, instrument, lease, licence or permit to which the Optionor is a party or by which the Optionor is bound or to which any property or material assets of the Optionor is subject, (C) any Applicable Laws to the Optionor, or (D) any judgment, decree or order binding the Optionor or its property or material assets.
- (b) As of the date hereof, this Agreement and any Closing Document delivered as of the date hereof, and as of the Option Closing Time, each Closing Document delivered at the Option Closing, as applicable, has been duly authorized, executed and delivered by the Optionor and is or will be at the Option Closing Time a legal, valid and binding obligation of the Optionor enforceable against the Optionor in accordance with its terms.

(5) Restrictive Documents

The Optionor is not subject to, or a party to, any charter, by-law or trust deed restriction, any Law, any Claim, any contract or instrument, any Lien or any other restriction of any kind or character which would prevent the consummation of the transactions contemplated by this Agreement, the compliance by the Optionor with the terms, conditions and provisions hereof, or the issue of the Option Shares.

(6) Broker's or Finder's Fee

Neither the Optionor nor Lithium HoldCo has authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement.

(7) Disclosure

As of the date of this Agreement the representations and warranties of the Optionor contained in this Agreement or given pursuant to this Agreement are true and correct in all material respects and do not contain any untrue statement of a material fact.

3.3 Representations and Warranties of the Optionee

The Optionee represents and warrants to the Optionor as set out in this Section 3.3, and acknowledges and confirms that the Optionor is relying on such representations and warranties in connection with the transactions contemplated by this Agreement.

(1) Due Incorporation, Existence and Corporate Power

The Optionee is a corporation validly existing and in good standing under the laws of the Province of Ontario. No steps or proceedings have been taken to authorize or require the discontinuance or dissolution of the Optionee or, to the Optionee's knowledge, the bankruptcy, insolvency, liquidation or winding up of the Optionee. The Optionee has all necessary corporate power and authority to enter into this Agreement and any other Closing Document to which it is or is to become a party pursuant to the terms hereof and to perform its obligations hereunder and thereunder.

(2) Validity of Agreement

- (a) The execution, delivery and performance by the Optionee of this Agreement and the execution, delivery and performance by the Optionee of or under any other Closing Documents to which it is or is to become a party pursuant to the terms hereof, and the consummation of the transactions contemplated hereunder and thereunder:
 - (i) have been duly authorized by all necessary corporate action on the part of the Optionee; and
 - (ii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation or a breach of, or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligation under: (A) any charter, by-law or trust deed instruments of the Optionee, (B) any mortgage, note, indenture contract, instrument, lease, licence or permit to which the Optionee is a party or by which the Optionee is bound or to which any property or material assets of the Optionee is subject, (C) any Applicable Laws to the Optionee, or (D) any judgment, decree or order binding the Optionee or its property or material assets.
- (b) As of the date hereof, this Agreement and any Closing Document delivered as of the date hereof, and as of the Option Closing Time, each Closing Document delivered at the Option Closing, as applicable, has been duly authorized, executed and delivered by the Optionee and is or will be at the Option Closing Time, a legal, valid and binding obligation of the Optionee enforceable against the Optionee in accordance with its terms.

- (3) The Optionee has carried out business in the ordinary and usual course of business and there has been no material adverse change in the financial or trading position or prospects of the Optionee and no material depletion in the net assets of the Optionee.
- (4) The Optionee is not engaged in any material litigation or arbitration proceedings and so far as the Optionee is aware, having made reasonable internal enquiry, no such proceedings are threatened or pending and there are no circumstances known to the Optionee which are likely to give rise to any such material litigation or arbitration.
- (5) No order has been made, petition presented or threatened or resolution passed or proposed for the winding up of, or for the appointment of a provisional liquidator to, or for an administration order in respect of the Optionee. No receiver or receiver manager has been appointed of the whole or part of any of the Optionee's assets or business.
- (6) The Optionee and its officers and, so far as the Optionee is aware, the employees and agents of the Optionee in the course of their respective duties have complied in all material respects with all applicable anti-bribery or anti-corruption laws, statutes, codes and regulations of any jurisdiction in which the business of the Optionee is carried on.
- (7) Neither the Optionee nor any of its officers, employees or agents is involved in any investigation, inquiry, claim or proceedings in relation to any alleged bribery or corruption offence relating to the Optionee, nor so far as the Optionee is aware are any such investigations, inquiries, Claims or proceedings pending or threatened by or against the Optionee or any officer, agent or employee of the Optionee relating to Optionee, nor so far as the Optionee is aware are there any facts or circumstances which are likely to give rise to any such investigations, inquiries, Claims or proceedings being commenced by or against any of them.
- (8) The Optionee has established and maintains adequate anti-bribery and anti-corruption procedures (including policies relating to facilitation payments, political donations, gifts, hospitality and expenses) and anti-corruption training programs.
- (9) The Optionee, without having made any specific enquiry into the representations and warranties given by the Optionee and Lithium HoldCo, is not aware of any breach of the representations and warranties given by the Optionor and Lithium HoldCo in this Agreement.
- (10) Restrictive Documents

The Optionee is not subject to, or a party to, any charter, by-law or trust deed restriction, any Law, any Claim, any contract or instrument, any Lien or any other restriction of any kind or character which would prevent the consummation of the transactions contemplated by this Agreement or the compliance by the Optionee with the terms, conditions and provisions hereof.

- (11) Consents, etc.

No consent, approval, order or authorization of, or registration or declaration with, any person is required to be obtained, and no notice is required to be delivered (including pursuant to any Applicable Law, required by any Governmental Entity with jurisdiction over the Optionee) by the Optionee in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated herein, except for those consents, orders, authorizations, declarations, registrations or approvals which are expressly contemplated by this Agreement, or those consents, orders, authorizations, declarations,

registrations or approvals that, if not obtained, would not prevent or materially delay the completion of the transactions contemplated herein or otherwise prevent the Optionee from performing its obligations under this Agreement.

(12) Legal Proceedings

There is no Claim pending or, to the knowledge of the Optionee, threatened against or affecting the Optionee that, if determined or resolved adversely to the Optionee, would have a material adverse effect on the Optionee's ability to purchase the Option Shares or to perform its obligations hereunder.

(13) Broker's or Finder's Fee

The Optionee has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement.

(14) Disclosure

As of the date of this Agreement the representations and warranties of the Optionee contained in this Agreement and in any Closing Document are true and correct in all material respects and do not contain any untrue statement of a material fact.

3.4 Representation and Warranty Effective Times

- (a) Each of the representations and warranties contained in Section 3.1, Section 3.2 and Section 3.3 are made as of the date of this Agreement.
- (b) The Optionor will be deemed to have made the representations and warranties contained in Section 3.1 and Section 3.2 to the Optionee as of the Incorporation Date except to the extent that (and only to the extent that) the Optionor has notified the Optionee in writing that any of such representations and warranties are no longer true and correct prior to the Option Closing Time pursuant to Section 4.3(c). Each of the representations and warranties contained in Section 3.1 given by the Optionor pursuant to this Section 3.4(b) shall be deemed to be qualified by the knowledge and awareness of the Optionor.
- (c) The Optionee will be deemed to have made the representations and warranties contained in Section 3.3 to the Optionor as of the Option Closing Time except to the extent that (and only to the extent that) the Optionee has notified the Optionor in writing that any of such representations and warranties are no longer true and correct prior to the Option Closing Time pursuant to Section 4.4(b).

ARTICLE 4 COVENANTS

4.1 Conduct of the Lithium Project and the Optionor During the Interim Period

- (1) During the period between the date hereof and February 15, 2023 (the "**Interim Period**"), the Optionor hereby covenants and agrees to cause the Lithium Project to operate in the ordinary course of business, consistent with past practice, and to use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons. The Optionee agrees to exercise its rights under the Agreement to procure that the Optionor is able to comply with the covenants and undertakings set out in this Section 4.1(1).

- (2) Subject to the Optionor being able to comply with Applicable Laws and the directors of both the Optionor and Lithium HoldCo to exercise their respective fiduciary duties, the Optionor hereby covenants and agrees that, without the prior written consent of the Optionee (such consent not to be unreasonably withheld or delayed), during the Interim Period, it shall cause Lithium HoldCo not to:
- (a) amend its constating documents;
 - (b) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of the Lithium HoldCo Shares;
 - (c) issue, grant, sell or pledge any Lithium HoldCo Shares or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire Lithium HoldCo Shares;
 - (d) redeem, purchase or otherwise acquire any outstanding Lithium HoldCo Shares;
 - (e) split, combine or reclassify the Lithium HoldCo Shares;
 - (f) reorganize, amalgamate or merge with any other Person in any manner whatsoever;
 - (g) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, make any investment either by purchase of shares or securities, contributions of capital, property transfer, or purchase of any property or assets of any other individual or entity;
 - (h) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of Lithium HoldCo;
 - (i) sell, pledge, dispose of or encumber any of its assets;
 - (j) incur any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for, the obligations of any other individual or entity, or make any loans or advances;
 - (k) except as otherwise explicitly contemplated by this Agreement, waive, release, grant or transfer any rights of value or modify or change in any material respect any existing license, lease, contract, government land concession or other document in connection with the Lithium Permits or the Lithium Project; or
 - (l) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing.

4.2 Exclusive Dealing and Standstill

- (1) Until the earlier of: (i) the termination of this Agreement; and (ii) the expiry of the Interim Period (the “**Standstill Period**”), the Optionor and Lithium HoldCo shall not, directly or indirectly, through any officer, director, shareholder, employee, agent or other Affiliate, (a) solicit, initiate or encourage the submission of any proposal or offer from any person (other than the Optionee) relating to the acquisition of any share or other voting or equity securities of Lithium HoldCo or any portion of the assets of Lithium HoldCo or which would result in the merger or amalgamation of the Optionor or Lithium HoldCo; (b) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner, any effort or attempt by any person to do or seek any of the foregoing; or (c) enter into any agreement, arrangement or understanding with respect to the foregoing.
- (2) During the Standstill Period, the Optionee (i) must not (on its own behalf or on behalf of any third party); and (ii) must ensure that each of its Affiliates will not (on their own behalf or on behalf of any third party), in each case, whether directly or indirectly, either alone or acting in concert with one or more other persons, without the consent of the Optionor:
 - (a) acquire any interests in securities of the Optionor;
 - (b) enter into any agreement, arrangement or understanding (whether or not legally binding) to do or omit to do any act as a result of which the Optionee or any other person may acquire any interests in securities of the Optionor;
 - (c) announce or make, or cause any other person to announce or make, any offer for any or all of the securities of the Optionor;
 - (d) make an approach to, solicit or enter into discussions with any of the Optionor’s securityholders in connection with any offer for all or any of the securities of the Optionor; or
 - (e) solicit or in any way participate in the solicitation of, any of the Optionor’s securityholders to vote in a particular manner at any meeting of securityholders of the Optionor or solicit or in any way participate in the solicitation of any of the Optionor’s securityholders to requisition or join in the requisitioning of any general meeting of the Optionor.

4.3 Covenants of the Optionor

The Optionor hereby covenants and agrees to and to cause Lithium HoldCo to, as applicable:

- (a) use commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.2 to be fulfilled as soon as reasonably practicable following the date hereof;
- (b) notify the Optionee immediately: (i) upon becoming aware that any of the representations and warranties contained in Section 3.1 or Section 3.2 are no longer true and correct in any material respect; or (B) of any event or state of facts which occurrence or failure would or would be likely to result in the failure by the Optionor to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied hereunder on or prior to the Option Closing Date, in each case prior to the Option Closing Date; and

- (c) to promptly execute or cause to be executed all documents, deeds, conveyances and other instruments and to take all other actions which may be necessary or desirable in the reasonable opinion of the Optionee to issue the Option Shares to the Optionee as soon as reasonably practicable following the Option Closing Time.

4.4 Covenants of the Optionee

The Optionee hereby covenants and agrees to:

- (i) use commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.1 to be fulfilled; and
- (ii) notify the Optionor immediately: (i) upon becoming aware that any of the representations and warranties contained in Section 3.3 are no longer true and correct in any material respect; or (B) of any event or state of facts which occurrence or failure would or would be likely to result in the failure by the Optionee to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied hereunder, in each case prior to the Option Closing Date.

4.5 General Covenants of the Optionee and the Optionor

- (a) Each of the Parties hereby covenants and agrees not to take, and the Optionor hereby covenants and agrees to cause Lithium HoldCo not to take, any action that might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement.
- (b) Each of the Parties shall make all reasonable efforts to obtain all regulatory approvals as promptly as practicable after the date hereof (including in the case of the Optionor, the approval of the Neo Exchange Inc.), and shall, in the prescribed manner and within the prescribed time, make all other filings with and give all other notices to any Governmental Entity that are required in connection with the lawful completion of the transactions contemplated by this Agreement and to enable Lithium HoldCo to maintain all rights and benefits of Lithium HoldCo in respect of the Lithium Project. A Party shall not (and the Optionor shall cause Lithium HoldCo not to) make any filing or submission without first providing the other Party with a copy of that filing or submission in draft form and giving the other Party a reasonable opportunity to review and comment on its contents before it is provided to the relevant Governmental Entity. The Party seeking to make a filing or submission shall then consider and take into account any and all reasonable comments timely made by the other Party and revise the draft filing or submission accordingly. Each of the Parties shall furnish promptly to the other Party copies of each material notice, communication or other document received by it from Governmental Entities in connection with the Lithium Project and the transactions contemplated herein.
- (c) Each Party hereby covenants and agrees to co-operate fully and in good faith in connection with any steps required to be taken as part of their respective obligations under this Agreement.

ARTICLE 5 CONDITIONS OF CLOSING

5.1 Conditions for the Option Closing for the Benefit of the Optionor and Lithium HoldCo

The Option Closing, including the sale and purchase of the Option Shares, are subject to the satisfaction of, or compliance with, at or before the Option Closing Time, each of the conditions in this Section 5.1 (collectively, the “**Optionor Option Closing Conditions**”), each of which is for the exclusive benefit of Lithium HoldCo and the Optionor and may be waived, in whole or in part, by the Optionor in its discretion.

(1) Representations, Warranties and Covenants of the Optionee

- (a) All representations and warranties of the Optionee contained in Section 3.3 will be true and correct in all material respects at the Option Closing Time with the same force and effect as if those representations and warranties had been made at and as of the Option Closing Time, it being understood that all representations and warranties of the Optionee that contain an express materiality or similar qualification will be true and correct in all respects at the Option Closing Time with the same force and effect as if those representations and warranties had been made at and as of that time, and the Optionee will have executed and delivered a certificate of a senior officer of the Optionee to that effect. The receipt of this certificate and the Option Closing will not constitute a waiver (in whole or in part) by the Optionor of any of the representations and warranties of the Optionee contained in this Agreement. Upon the delivery of such certificate, the representations and warranties of the Optionee in Section 3.3 will be deemed to have been made at and as of the Option Closing Time with the same force and effect as if made at and as of that time.
- (b) The Optionee will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with by it at or prior to the Option Closing Time and the Optionee will have executed and delivered a certificate of a senior officer of the Optionee to that effect. The receipt of this certificate and the Option Closing will not constitute a waiver (in whole or in part) by the Optionor of any of the covenants or obligations of the Optionee contained in this Agreement.

(2) Deliveries of the Optionee

At the Option Closing Time, the Optionee will have delivered, or caused to be delivered, to the Optionor the following:

- (a) the Purchase Payments;
- (b) a certificate of status with respect to the Optionee issued by the appropriate Governmental Authority in its jurisdiction of incorporation dated within two days of the Option Closing; and
- (c) the certificates referred to in Sections 5.1(1)(a) and 5.1(1)(b).

(3) No Legal Proceedings

No Order will have been made and no legal proceeding will have been commenced or will be pending or threatened against the Optionee for the purpose of enjoining, restricting or prohibiting the completion of the transactions contemplated by this Agreement.

5.2 Conditions for the Option Closing for the Benefit of the Optionee

The Option Closing, including the sale and purchase of the Option Shares, are subject to the satisfaction of, or compliance with, at or before the Option Closing Time, each of the conditions in this Section 5.2 (collectively, the “**Optionee Option Closing Conditions**”), each of which is for the exclusive benefit of the Optionee and may be waived, in whole or in part, by the Optionee in its discretion.

(1) Representations, Warranties and Covenants of the Optionor

- (a) All representations and warranties of the Optionor contained in Sections 3.1 and 3.2 will be true and correct in all material respects at the Option Closing Time with the same force and effect as if those representations and warranties had been made at and as of the Option Closing Time (subject always to the qualifications set out in Section 3.4), it being understood that all representations and warranties of the Optionee that contain an express materiality or similar qualification will be true and correct in all respects at the Option Closing Time with the same force and effect as if those representations and warranties had been made at and as of that time, and the Optionor will have executed and delivered a certificate of a senior officer of the Optionor to that effect. The receipt of this certificate and the Option Closing will not constitute a waiver (in whole or in part) by the Optionee of any of the representations and warranties of the Optionor contained in this Agreement. Upon the delivery of such certificate, the representations and warranties of the Optionor in Sections 3.1 and 3.2 will be deemed to have been made at and as of the Option Closing Time with the same force and effect as if made at and as of that time.
- (b) The Optionor will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with by them at or prior to the Option Closing Time and the Optionor will have executed and delivered a certificate of a senior officer of the Optionor to that effect. The receipt of this certificate and the Option Closing will not constitute a waiver (in whole or in part) by the Optionee of any of the covenants or obligations of the Optionor contained in this Agreement.

(2) Deliveries of the Optionor

At the Option Closing Time, the Optionor will have delivered, or caused to be delivered, to the Optionee the following:

- (a) the Title Opinion;
- (b) a certificate of status in respect of each of the Optionor or Lithium HoldCo issued by the appropriate Governmental Entity in its jurisdiction of incorporation or formation dated within two days of the Option Closing;
- (c) the certificates referred to in Sections 5.2(1)(a) and 5.2(1)(b); and
- (d) a written resignation and release executed by the officers and directors of Lithium HoldCo, substantially in the form of the agreement attached hereto as Exhibit B.

(3) No Legal Proceedings

No Order will have been made and no legal proceeding will have been commenced or will be pending or threatened against the Optionor or Lithium HoldCo: (i) for the purpose of enjoining, restricting or prohibiting the completion of the transactions contemplated by this Agreement; or (ii) the outcome of which could reasonably prohibit or restrict Lithium HoldCo from exploring, developing or commercializing the Lithium Project after Closing.

5.3 Waiver of Conditions

Any Party may waive, in whole or in part, at any time by notice in writing to the other Parties, any condition in this Article 5 which is for its sole benefit. No waiver by a Party of any condition, in whole or in part, will operate as a waiver of any other condition or of that Party's rights of termination in the event of non-fulfilment of any other condition, in whole or in part as provided for herein. The waiver, in whole or in part, by a Party of any condition requiring the accuracy of a representation or warranty will be without prejudice to the right of that Party to indemnification under Article 10 based upon that representation or warranty.

**ARTICLE 6
CLOSING ARRANGEMENTS**

6.1 Date, Place and Time of Option Closing

Subject to satisfaction of all the conditions in Section 5.1 or Section 5.2 that have not been waived in writing by the Parties entitled to waive same, as applicable, the Option Closing will take place at the Option Closing Time on the Option Closing Date by electronic exchange of the Option Closing deliverables described herein or on such other date and at such other time as may be agreed upon in writing by the Optionor and the Optionee.

Notwithstanding anything to the contrary contained herein, if (i) the Optionee has delivered an Option Exercise Notice in respect of the Option to the Optionor; (ii) each of the Optionor Option Closing Conditions are completed, fulfilled, complied with or waived in writing by the Parties entitled to waive same, as applicable; and (iii) each of the Optionee Option Closing Conditions are completed, fulfilled, complied with or waived in writing by the Parties entitled to waive same, as applicable, then, if Lithium HoldCo fails to deliver to the Optionee the Option Shares by the Option Closing Time, each of Lithium HoldCo and the Optionor hereby irrevocably appoints the Optionee as its attorney to execute and deliver such documents on behalf of Lithium HoldCo or the Optionor, as applicable as may be necessary to complete the subject transaction and by way of security for the obligations of Lithium HoldCo and the Optionor, as applicable, under this Agreement. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the insolvency or bankruptcy of Lithium HoldCo or the Optionor, as applicable, and Lithium HoldCo and the Optionor, respectively, hereby ratify and confirm and agree to ratify and confirm all that the Optionee may lawfully do or cause to be done by virtue of such appointment and power.

6.2 Deliveries at the Option Closing

At the Option Closing Time, subject to satisfaction of all the conditions in Sections 5.1 and 5.2 that have not been waived in writing by the Parties entitled to waive same, as applicable:

- (a) the Optionor shall deliver those items as are required to be delivered by the Optionor under this Agreement as set out in Section 5.2(2);

- (b) the Optionee shall deliver those items as are required to be delivered by the Optionee under this Agreement as set out in Section 5.1(2); and
- (c) Lithium HoldCo shall deliver to the Optionee the Option Shares.

ARTICLE 7

FORMATION OF JOINT VENTURE AND SHAREHOLDERS' AGREEMENT

7.1 Joint Venture and Shareholders' Agreement

At the Option Closing Time, the Optionor and the Optionee (i) will be deemed to have entered into the Joint Venture, which shall be automatically constituted on the basis of the form of JV Agreement attached as Schedule 1.1(z) to this Agreement without any further action by the Parties; and (ii) will be deemed to have entered into the Shareholders' Agreement, which shall be automatically constituted on the basis of the form of Shareholders' Agreement attached as Schedule 1.1(yy) to this Agreement without any further action by the Parties.

ARTICLE 8

TERMINATION

8.1 Conditions of Termination

- (1) This Agreement may be terminated by the mutual written consent of each of the Parties.
- (2) The Optionee may terminate this Agreement at any time by providing the Optionor and Lithium HoldCo with at least thirty (30) days' prior notice in writing.
- (3) If there has been a material breach of this Agreement by the Optionee and the Optionee does not rectify such breach after it has been given a notice under Section 8.1(5) below and the cure period specified in Section 8.1(5) below expires, then this Agreement shall immediately terminate.
- (4) If there has been a material breach of this Agreement by the Optionor during the Interim Period and the Optionor does not rectify such breach after it has been given a notice under Section 8.1(5) below and the cure period specified in Section 8.1(5) below expires, then, during the Interim Period, this Agreement shall immediately terminate.
- (5) Neither of the Option nor this Agreement may be terminated due to any default by either Party unless the non-defaulting Party has first notified in writing the defaulting Party of the default and the defaulting Party has then failed to remedy such default within thirty (30) days of receipt of such notice. No such remedy period shall serve to extend the Interim Period and any such remedy period shall be reduced by the number of days remaining to expire in respect of the Interim Period (which for these purposes shall include any permitted extensions in respect of the same).

8.2 Effect of Exercise of Termination Rights

- (1) If a Party exercises its right of termination under Section 8.1, immediately upon the Party giving notice as required under Section 8.1, the Parties will be discharged from any further obligations under this Agreement, except that:
 - (a) each Party's respective obligations under this Section 8.2, Section 9.1(1), Article 10, Article 11 and Article 12 and such definitions and rules of interpretation contained in ARTICLE 1 as are required to interpret the foregoing shall survive; and

- (b) if a Party exercises its right of termination under Section 8.1 because of a material breach of this Agreement by another Party, any rights, remedies or causes of action the terminating Party may have based upon the other Party's or Parties' breach will continue unimpaired.

ARTICLE 9 INFORMATION

9.1 Confidential Information

- (1) Each of the Optionee, the Optionor and Lithium HoldCo will provide such information (“**Confidential Information**”) as to its financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other Parties in connection with the transactions contemplated herein. Confidential Information shall not include information that: (i) is generally available to, and known by, the public through no fault of the recipient of the Confidential Information, its Affiliates or any of their respective Representatives; or (b) is lawfully acquired by the recipient of the Confidential Information, any of its Affiliates or any of their respective Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. Each Party shall hold, and shall use its reasonable best efforts to cause its Affiliates and Representatives to hold, all Confidential Information in confidence.
- (2) No Confidential Information may be released to third parties by the recipient of Confidential Information without the consent of the provider thereof, except that the Parties agree that they will not unreasonably withhold such consent to the extent that such Confidential Information is compelled to be released by Applicable Laws or by a Governmental Entity.
- (3) Each Party acknowledges that some or all of the Confidential Information is or may be undisclosed material information or price-sensitive information and that its use may be regulated or prohibited by Applicable Laws, including securities laws relating to insider trading, insider dealing and market abuse, and each Party undertakes not to use any Confidential Information of the other Parties in contravention of any Applicable Laws.

9.2 Access to Information

The Optionor and the Optionee recognize the existence of continuous and timely disclosure requirements under the securities regulatory regimes in which they operate. Accordingly, the Optionee expressly undertakes to grant to the Optionor the right to access such information as the Optionor may reasonably require to facilitate its compliance with Applicable Laws on a timely basis.

9.3 Public Announcements

Unless otherwise required by Applicable Laws or stock exchange requirements (based upon the reasonable advice of counsel), no Party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed), and the Parties shall cooperate as to the timing and contents of any such announcement.

ARTICLE 10 INDEMNIFICATION

10.1 Survival

Subject to the limitations and other provisions of this Agreement, the representations and warranties set out herein shall survive the Option Closing and shall remain in full force and effect until the date that is twelve (12) months therefrom. All covenants and agreements of the Parties set out herein shall survive the Option Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any Claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the expiration date of the applicable survival period shall be barred by the expiration of the relevant representation or warranty unless proceedings shall have been commenced and served upon the breaching party within four months of the date of the service of the relevant notice of Claim.

The parties agree that:

- (a) nothing in this Agreement shall in any way restrict or limit the general obligation at law of the parties to mitigate any loss or damage which they may suffer in consequence of any event giving rise to a Claim; and
- (b) a Party shall not be liable in respect of any Claim to the extent that it arises, or its value is increased, as a result of a change in any law, legislation, rule or regulation (including any new law, legislation, rule or regulation) that comes into force or otherwise takes effect after the date of this Agreement.

10.2 Indemnification by the Optionor

Subject to the other terms and conditions of this Article 10, the Optionor shall indemnify and defend each of the Optionee and its Affiliates (including Lithium HoldCo) and their respective Representatives (collectively, the “**Optionee Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Optionee Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Optionor set out in this Agreement or in any certificate or instrument delivered by or on behalf of the Optionor under this Agreement, as of the date such representation or warranty was made (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Optionor or Lithium HoldCo under this Agreement; and
- (c) any Liabilities arising out of or required to be paid by Lithium HoldCo relating to or in connection with any Claims commenced prior to the date hereof.

10.3 Indemnification by the Optionee

Subject to the other terms and conditions of this Article 10, the Optionee shall indemnify and defend each of the Optionor and its Affiliates and their respective Representatives (collectively, the “**Optionor Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Optionor Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Optionee contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Optionee under this Agreement, as of the date such representation or warranty was

made (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or

- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Optionee under this Agreement.

10.4 Indemnification Procedures

- (1) The Party making a claim under this Article 10 is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this Article 10 is referred to as the “**Indemnifying Party**”.
- (2) Third-Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any Claim made or brought by any Person who is not a party to this Agreement or an Affiliate of a Party to this Agreement or a Representative of the foregoing (a “**Third-Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) calendar days after receipt of such notice of such Third-Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third-Party Claim at the Indemnifying Party’s expense and by the Indemnifying Party’s own counsel, and the Indemnified Party shall cooperate in good faith in such defence. If the Indemnifying Party assumes the defence of any Third-Party Claim, subject to Section 10.4(3), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defence of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party’s right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party; *provided that*, if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third-Party Claim, the Indemnified Party may, subject to Section 10.4(3), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. The Optionor and the Optionee shall cooperate with each other in all reasonable respects in connection with the defence of any Third-Party Claim, including making available (subject to the provisions of Section 9.1) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such Third-Party Claim.

- (3) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 10.4(3). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume the defence of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defence under Section 10.4(2), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).
- (4) Direct Claims. Any action by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (each, a “**Direct Claim**”) shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than sixty (60) days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party’s investigation by giving such information and assistance (including access to the Lithium HoldCo’s premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.
- (5) Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this Article 10, the Indemnifying Party shall satisfy its obligations within fifteen (15) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The Parties agree that, if the Indemnifying Party does not make full payment of any such obligations within such fifteen (15) Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to but excluding the date such payment has been made at a rate per annum equal to 4%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding.
- (6) Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party’s right to indemnification with respect thereto, shall not be affected or

deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Article 5, as the case may be.

- (7) Exclusive Remedies. Subject to Section 12.9, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this Article 10. In furtherance of the foregoing, each Party hereby waives, to the fullest extent permitted under Applicable Laws, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other Parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except under the indemnification provisions set forth in this Article 10. Nothing in this Section 10.4(7) shall limit any person's right to seek and obtain any equitable relief to which any person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or wilful misconduct.

ARTICLE 11 ARBITRATION

11.1 Best Endeavours to Settle Disputes

In the event of any dispute, Claim, question or difference arising out of or relating to this Agreement or any Closing Document or any breach hereof or thereof, the Parties shall use their best endeavours to settle such dispute, Claim, question or difference. To this effect, they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to all Parties.

11.2 Arbitration

- (1) Except as is expressly provided in this Agreement, if the Parties do not reach a solution pursuant to Section 11.1 within a period of thirty (30) Business Days following the first notification in writing by any Party to another Party of any dispute, Claim, question or difference, then upon written notice by any Party to the others, the dispute, Claim, question or difference shall be finally settled by arbitration in accordance with the International Arbitration Rules of the International Centre for Dispute Resolution.
- (2) The arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the Parties, or in the event of failure to agree within ten (10) Business Days, the Party initiating the arbitration and the Party against whom the Claim is being made shall each appoint an arbitrator, and the two arbitrators so appointed shall thereupon meet and select a third arbitrator and the third arbitrator alone shall be the arbitrator to hear and arbitrate the Dispute.
- (3) Arbitration shall take place on the following basis:
 - (a) the dispute shall be decided by a single arbitrator;
 - (b) the seat of arbitration shall be Toronto, Ontario, or such other location as the Parties may agree;

- (c) the language of the arbitration shall be English; and
 - (d) the governing law of the contract shall be the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (4) The arbitrator shall be instructed that time is of the essence in proceeding with their determination of any dispute, Claim, question or difference and, in any event, the arbitration award must be rendered within thirty (30) days of the commencement of the arbitration, or such other timeframe as the Parties may agree.
 - (5) The arbitration award shall be given in writing and shall be final and binding on the Parties, and shall deal with the question of costs of arbitration and all matters related thereto.
 - (6) Judgment upon the award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be.

ARTICLE 12

GENERAL

12.1 Expenses

Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Optionee, whether or not the Option Closing shall have occurred.

12.2 Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 12.2):

- (a) to the Optionee at:

IberAmerican Lithium Inc.
365 Bay Street, Suite 800
Toronto, Ontario
M5H 2V1

Attention: Campbell Becher
Email: [redacted]

with a copy to:

Wildeboer Dellelce LLP
Suite 800
365 Bay Street
Toronto, Ontario
M5H 2V1

Attention: Peter Volk
Email: [redacted]

and to:

(b) to the Optionor at:

Strategic Minerals Europe Corp.
Suite 800
365 Bay Street
Toronto, Ontario
M5H 2V1

Attention: Jaime Perez Branger
Email: [redacted]

12.3 Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

12.4 Entire Agreement

This Agreement constitutes the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement, the Exhibits and the Schedules (other than an exception expressly set forth as such in the Schedules), the statements in the body of this Agreement will control.

12.5 Successors and Assigns

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; *provided that*, before the Incorporation Date, the Optionee may, without the prior written consent of the Optionor, assign all or any portion of its rights under this Agreement to a direct or indirect wholly owned subsidiary of the Optionee. No assignment shall relieve the assigning party of any of its obligations hereunder.

12.6 No Third-Party Beneficiaries

Except as provided in Article 10, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall

confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under, or by reason of, this Agreement.

12.7 Amendment and Modification; Waiver

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

12.8 Governing Law; Forum Selection

- (1) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
- (2) Subject to Article 11, any Claim arising out of or based upon this Agreement or the transactions contemplated hereby may be brought in the courts of the Province of Ontario, and each Party irrevocably submits and agrees to attorn to the exclusive jurisdiction of that court in any such Claim. The Parties irrevocably and unconditionally waive any objection to the venue of any Claim or proceeding in that court and irrevocably waive and agree not to plead or claim in that court that such Claim has been brought in an inconvenient forum.

12.9 Specific Performance

The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

12.10 Calculation of Time

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Toronto time) on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. (Toronto time) on the next succeeding Business Day.

12.11 Remedies Cumulative

Unless otherwise stated in this Agreement, the rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

12.12 Further Assurances

Each Party shall from time to time execute and deliver or cause to be executed and delivered all such further documents and instruments and do or cause to be done all further acts and things as any of the other Parties may, before or after the Option Closing Date, reasonably require as being necessary or desirable in order to

effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof and thereof.

12.13 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF this Agreement has been executed as of the date first above given.

IBERAMERICAN LITHIUM INC.

Per: (signed) Eugene McBurney
Name: Eugene McBurney
Title: Chairman

**STRATEGIC MINERALS EUROPE
CORP.**

Per: (signed) Jaime Perez Branger
Name: Jaime Perez Branger
Title: Chief Executive Officer

STRATEGIC MINERALS SPAIN S.L.U.

Per: (signed) Jaime Perez Branger
Name: Jaime Perez Branger
Title: Authorized Signatory

SCHEDULE 1.1(xx)

JV AGREEMENT

See attached.

JOINT VENTURE AGREEMENT

made by and among

IBERAMERICAN LITHIUM INC.

and

STRATEGIC MINERALS EUROPE CORP.

and

IBERAMERICAN LITHIUM SPAIN, S.L.

and

STRATEGIC MINERALS SPAIN, S.L.U.

Effective December 28, 2022

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JOINT VENTURE AGREEMENT

THIS AGREEMENT made effective as of the 28th day of December, 2022

AMONG:

IBERAMERICAN LITHIUM INC., a corporation existing under the laws of the Province of Ontario,

(“ILI”)

OF THE FIRST PART

AND:

STRATEGIC MINERALS EUROPE CORP., a corporation existing under the laws of the Province of Ontario,

(“SMEC”)

OF THE SECOND PART

AND:

IBERAMERICAN LITHIUM SPAIN, S.L., a company existing under the laws of Spain,

(“SpainCo”)

OF THE THIRD PART

AND:

STRATEGIC MINERALS SPAIN, S.L.U., a company existing under the laws of Spain,

(“SMS”)

OF THE FOURTH PART

WHEREAS:

- A. as at the date of this Agreement (as hereinafter defined), SMEC, through its wholly owned subsidiary SMS, is the registered and beneficial owner of 100% of the Lithium Project (as hereinafter defined);
- B. pursuant to an option and agreement dated the 28th day of December, 2022 among ILI, SMEC and SMS (the “**Option Agreement**”), on the date hereof, SMEC agreed to incorporate SpainCo, a wholly owned subsidiary, into which SMEC shall cause SMS to transfer all right, title and interest

to the Lithium Project (the “**Title Transfer**”);

- C. pursuant to the Option Agreement, on the date hereof, ILI exercised and completed the option granted by SMEC to subscribe for such number of SpainCo Shares (as hereinafter defined) as will equal, post-issuance, 70% of the issued and outstanding SpainCo Shares;
- D. SMS currently owns and controls the Lithium Project and, as the operating entity for the Lithium Project agrees to be bound by the terms and conditions of this Agreement;
- E. SpainCo will, upon completion of the Title Transfer, own and control the Lithium Project and, as the operating entity for the Lithium Project agrees to be bound by the terms and conditions of this Agreement; and
- F. the Parties wish to enter into a joint venture (the “**Joint Venture**”) in respect of the exploration, development, exploitation and operation of the Lithium Project.

NOW THEREFORE, in consideration of the premises and the mutual agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

(1) The following capitalized words and phrases when used herein have the following meanings:

- (a) “**Adjusting Formula**” has the meaning set out in Section 3.4;
- (b) “**Affiliate**” means any person, partnership, joint venture, corporation or other form of enterprise which directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, “control” means possession, directly or indirectly, of the power to direct or cause the direction of management and policies through ownership of voting securities, contract, voting trust or otherwise;
- (c) “**Agent**” has the meaning set forth in Section 9.5(1)(a);
- (d) “**Agreement**” or “**JV Agreement**” means this joint venture agreement, including the recitals and the schedules hereto, as amended in writing from time to time;
- (e) “**Applicable Laws**” means any law, legislation, statute, ordinance, code, order, decree, directive, judgment, award, decision, injunction, licence, permit, approval, rule, regulation and any interpretation of or determination in respect of any of the foregoing by any Governmental Entity having jurisdiction over the matter in question;
- (f) “**Budget**” means a budget of estimated Joint Venture Expenditures prepared and adopted by the Operator and relating to the carrying out of a Program or otherwise to be incurred during the period to which such a budget relates;
- (g) “**Business Day**” means any day which is not a Saturday or Sunday on which commercial banks are open for business in Toronto, Ontario and Madrid, Spain;

- (h) **“Carried Interest Termination Date”** has the meaning set forth in Section 3.3;
- (i) **“Cash Call Notice”** has the meaning set forth in Section 6.4;
- (j) **“CIM Definition Standards”** means the Canadian Institute of Mining Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014, as amended from time to time;
- (k) **“Claim”** means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity;
- (l) **“Commercial Production”** means, and is deemed to have been achieved, when the concentrator processing ores derived from a Property, other than for testing purposes, has operated for a period of 30 consecutive production days at an average rate of not less than 75% of design capacity or, if a concentrator is not erected on such Property, when ores have been produced for a period of 30 consecutive production days at the rate of not less than 75% of the mining rate specified in the Prefeasibility Study or other document recommending placing such Property into commercial production;
- (m) **“Confidential Information”** has the meaning set forth in Section 14.1;
- (n) **“Effective Date”** means the date of this Agreement;
- (o) **“Feasibility Study”** has the meaning set forth in the CIM Definition Standards;
- (p) **“Force Majeure”** means any cause beyond a Party’s reasonable control (except those caused by its own lack of funds) including, but not limited to: acts of God; lack of rights or permission by indigenous peoples’ groups to enter onto a Property to conduct exploration, development and mining operations thereon; war or war conditions (actual or potential); storm; fire; flood; explosion; strikes, lockouts or other industrial disturbances; accident; pandemic, epidemic, any terrorist act; any military or paramilitary act or order; laws, rules and regulations or orders of any duly constituted court or governmental authority; breakdown of machinery or non-availability of materials or transportation; or protests, demonstrations or other events causing work stoppages by environmental or community lobbyists or others;
- (q) **“Governmental Entity”** means (i) any multinational, federal, provincial, state, municipal, local or other governmental or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (r) **“Holdings”** has the meaning set forth in Section 17.2;
- (s) **“Interim Period”** has the meaning set forth in Section 2.5;
- (t) **“Joint Venture”** has the meaning set forth in recital F to this Agreement;

- (u) **“Joint Venture Account”** has the meaning set forth in Section 6.10;
- (v) **“Joint Venture Activities”** means all and any activities permitted or authorized under this Agreement which are directed to the achievement of the purposes of the Joint Venture as set out in section 2.1;
- (w) **“Joint Venture Assets”** means the Properties and all other assets of the Joint Venture, from time to time;
- (x) **“Joint Venture Expenditures”** means cash expenditures and any cost, obligation and liability incurred or properly accrued (but not yet met) with respect to Joint Venture Activities performed by the Operator in accordance with this Agreement including expenditures incurred or accrued:
 - (i) in holding the Properties in good standing (including land maintenance costs and any monies expended as required to comply with Applicable Laws and regulations, such as for the completion and submission of assessment work and filings required in connection with any assessment work), in curing title defects and in acquiring and maintaining surface and other ancillary rights;
 - (ii) in preparing for the application for and acquisition of environmental and other permits necessary or desirable to commence and complete exploration and development activities with respect to the Joint Venture;
 - (iii) in undertaking geophysical, geochemical and geological or technical surveys, drilling, assaying and metallurgical testing, including costs of assays, metallurgical testing and other test and analyses to determine the quantity and quality of Mineral Product, water and other materials or substances;
 - (iv) in the preparation of work programs and the presentation and reporting of technical or scientific data relating to a Program including all governmental filings of work reports, and any program for the preparation of a Feasibility Study or other evaluation of the Properties;
 - (v) in connection with the protection of the environment in relation to the Properties including environmental remediation, rehabilitation, decommissioning and long-term care and monitoring, whether or not financial assurance for mine reclamation has been established;
 - (vi) in acquiring facilities, equipment or machinery, or the use of any of the foregoing things, for the Joint Venture and for all parts, supplies and consumables acquired or used in connection therewith;
 - (vii) in connection with developing, building and operating one or more mines on the Properties;
 - (viii) for salaries and wages, including actual labour overhead expenses for employees assigned to exploration and development activities with respect to the Joint Venture;
 - (ix) travelling expenses and fringe benefits (whether or not required by law) of all

persons engaged in work with respect to and for the benefit of the Joint Venture including for their food, lodging and other reasonable needs;

- (x) payments to contractors or consultants for work done, services rendered or materials supplied with respect to the Joint Venture; and
- (xi) all taxes levied against or in respect of the Properties, or activities on the Properties, and the costs of insurance premiums and performance bonds or other security;
- (y) **“Joint Venture Interest”** means the respective undivided percentage interest of each of the Parties in the Joint Venture, which interest shall, at all times, correspond with and represent each Party’s undivided ownership interest in and to the Joint Venture Assets;
- (z) **“Lien”** means any lien, security interest, mortgage, charge, deed of trust, encumbrance, security interest, hypothec, pledge, net profits interest, royalty, title retention agreement or arrangement, royalty, restrictive covenant or other claim, whether registered or unregistered, and whether arising by agreement, statute or otherwise, of any and every nature or kind whatsoever and any rights or privileges capable of becoming any of the foregoing;
- (aa) **“Lithium Permits”** means (i) investigation permit N° 5186 “Alberta II” granted by Xunta to SMS, the renewal of which by the Xunta is pending; and (ii) application by SMS to the Xunta for investigation permit N° 5191 “Carlota”, which is pending;
- (bb) **“Lithium Project”** means the lithium exploration project to be owned and controlled by SpainCo (currently held by SMS), which, pursuant to the Lithium Permits, consists of the Alberta II and Carlota permit areas and, after the date of this Agreement, includes any Mining Rights which become a part of the Lithium Project, together with any renewal of any of such Mining Rights and any other form of successor or substitute title therefore.
- (cc) **“Majority Interest Holder”** means (i) ILI, if the Joint Venture Interest of ILI, together with its Affiliates, is more than 50%; or (ii) SMEC, if the Joint Venture Interest of SMEC, together with its Affiliates, is more than 50%;
- (dd) **“Management Committee”** has the meaning set forth in Section 4.1;
- (ee) **“Mine”** means the workings established and the property acquired, including plant and concentrator installations, processing facilities, infrastructure, mining plant and equipment, stores, consumables, housing, airport and other facilities required in order to bring the Properties into Commercial Production, whether on or off the Properties;
- (ff) **“Mineral Product”** means all ores and concentrates or metals derived from them, containing precious, base and industrial Minerals (including gems and uranium) which are found in, on or under the Properties and may lawfully be explored for, mined and sold under the mineral rights and other instruments of title under which the Properties are held;
- (gg) **“Minerals”** means all marketable naturally occurring metallic and non-metallic minerals or mineral bearing material in whatever form or state, including, any precious metal, any base metal, natural gas, petroleum, coal, diamonds, salt and rock, sand, gravel or aggregate, that is mined, extracted, removed, produced or otherwise recovered from a Property whether in the form of ore, doré, concentrates, refined metals or any other beneficiated or derivative products thereof and including any such minerals or mineral bearing materials

or products derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from a Property;

- (hh) **“Mining Operations”** means any and every kind of exploration, development, exploitation, production, reclamation and other work done on or in respect of the Properties, by or on behalf of the Operator, including:
- (i) carrying out, or causing to be carried out, line cutting, geophysical, geochemical, geological and land surveys, library research, report preparation, studies, mapping, assaying and metallurgical testing, investigating, drilling, examining, equipping, improving, surveying, trenching, shaft-sinking, raising, crosscutting and drifting the Properties, searching for, digging, trucking, sampling, working and procuring ores, bringing mining lands to lease and keeping the same in good standing, obtaining mineral properties or exploration, development, mining or other licenses, permits or mining claims and maintaining same in good standing, and in doing all other exploration, development, pre-production and mining work, including mine construction;
 - (ii) paying wages, salaries and benefits of persons engaged in such work and in supplying food, lodging, transportation and other reasonable needs of such individuals;
 - (iii) paying insurance premiums and assessments or premiums for workers’ compensation insurance, contributions for unemployment insurance or other pay allowances or benefits customarily paid in the district to such individuals;
 - (iv) making payments in respect of exploration permits, leases, licenses, mining claims, taxes, rates, assessments or other fees imposed by a Governmental Entity in connection with the Properties and filing all assessment work with relevant governmental authorities;
 - (v) procuring and paying for all insurance coverage deemed advisable by the Operator in respect of the Properties;
 - (vi) purchasing, leasing or renting plant, buildings, machinery, tools, appliances, equipment or supplies or incurring other capital expenses, and in installing, erecting, detaching or removing any such assets on or from the Properties;
 - (vii) mining, milling, concentrating, rehabilitation, reclamation, and environmental protections and in the management of any work which may be done on the Properties or in any other respect necessary for the due carrying out of prospecting, exploration and development work including, mine construction and operation;
 - (viii) managing, supervising or conducting any work which is done in respect of the Properties or in any other respects necessary or desirable, in the opinion of the Operator; and
 - (ix) managing, supervising or conducting any work or programs related to community matters or relations carried out in the area of influence of a Property or in any other respects necessary or desirable, in the opinion of the Operator;
- (ii) **“Mining Rights”** means either freehold title, mining leases, mining concessions, mining claims or participating interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which a particular property is located, including, all

rights under the Lithium Permits;

- (jj) “**Minority Interest Holder**” means (i) ILI, if the Joint Venture Interest of ILI, together with its Affiliates, is less than 50%; or (ii) SMEC, if the Joint Venture Interest of SMEC, together with its Affiliates, is less than 50%;
- (kk) “**non-Operator**” means the Party that is not the Operator from time to time;
- (ll) “**Operator**” means the Party responsible for, among other things, defining, preparing, planning, directing and implementing all programs and carrying out, or causing to be carried out, all mining operations and other work in respect of the Properties;
- (mm) “**Option Agreement**” has the meaning set forth in recital B of this Agreement;
- (nn) “**Parties**” means ILI and SMEC and, until the Title Transfer, SMS, and a “**Party**” shall mean any one of them as the context requires;
- (oo) “**Permitted Liens**” means (i) Liens for taxes, assessments or governmental charges or levies on property not yet due and delinquent; and (ii) easements, encroachments and other minor imperfections of title which do not, individually or in the aggregate, detract from the value of, or impair the use or marketability of, the Properties;
- (pp) “**person**” means an individual, firm, trust, partnership, association, corporation, government or governmental board, department, agency or authority and the heirs, executors, administrators or other legal representatives of an individual;
- (qq) “**Prefeasibility Study**” has the meaning set forth in the CIM Definition Standards;
- (rr) “**Program**” has the meaning set out in Section 6.1(1);
- (ss) “**Properties**” means the Mining Rights to the Lithium Project and, after the date of this Agreement, includes any Mining Rights which become a part of the Properties together with any renewal of any of such Mining Rights and any other form of successor or substitute title therefore; and a “**Property**” means any one of such properties as the context requires;
- (tt) “**Representative**” has the meaning set forth in Section 4.1;
- (uu) “**Shareholders’ Agreement**” has the meaning set forth in the Option Agreement;
- (vv) “**Title Transfer**” has the meaning set forth in the recital B of this Agreement;
- (ww) “**SpainCo Shares**” means the shares (*participaciones sociales*) in the capital of SpainCo;
- (xx) “**Transfer**” has the meaning set forth in Section 9.2;
- (yy) “**Transfer Offer**” has the meaning set forth in Section 9.2;
- (zz) “**Transferring Party**” has the meaning set forth in Section 9.2;
- (aaa) “**Xunta**” means the Xunta de Galicia, being the Spanish mining regulatory authority with jurisdiction in respect of the Mining Rights comprising the Lithium Project.

1.2 Interpretation

For purposes of this Agreement: (a) the words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

1.3 Headings

The division of this JV Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this JV Agreement.

1.4 Statutory References

Each reference to a statute in this JV Agreement includes the regulations made under that statute, as amended or re-enacted from time to time.

ARTICLE 2 RELATIONSHIP OF PARTIES

2.1 Establishment of Joint Venture

The Parties hereby associate themselves in and constitute, with effect on and from the Effective Date, an incorporated joint venture, conducted initially through SMS in trust for SpainCo and ultimately directly through SpainCo (upon completion of the Title Transfer), in respect of the Properties for the following purposes:

- (1) to carry out exploration of the Properties for Mineral Product and, if warranted, to develop the Properties and extract Mineral Product with a view to long-term profit;
- (2) if results justify so doing, to make technical, commercial and economic feasibility studies to establish whether or not the operation of a Mine is economically viable in or on the Properties;
- (3) if the operation of a Mine is considered technically, commercially and economically viable, to develop one or more Mines on the Properties and to commence and continue Commercial Production; and
- (4) any other activity in connection with or incidental to any of the foregoing, as may be agreed to by the Parties from time to time.

2.2 Relationship of the Parties

- (1) As between ILI, SMEC, and SMS, the rights, duties, obligations and liabilities arising out of the Joint Venture will be several and not joint, and all liabilities and obligations arising out of Joint Venture Activities will be borne by ILI and SMEC in proportion to their Joint Venture Interests. For greater certainty, any rights, duties and obligations of SpainCo as the operating entity holding title to the Lithium Project shall be carried out by SpainCo in accordance with the terms of this Agreement.
- (2) It is not the intention of the Parties to create a mining, commercial or other partnership or agency relationship between the Parties and this JV Agreement shall not be construed so as to render the Parties liable as partners or as creating a mining, commercial or other partnership or agency relationship. No Party shall be or be deemed to be or shall hold itself out as the partner or legal representative of the other Party, and no Party shall be or be deemed to be or shall hold itself out to be the agent of the other Party, except in its capacity as Operator. No Party shall be in any way obligated for the debts or obligations of the other Party. Nothing in this Agreement shall create or be deemed to create a fiduciary relationship between the Parties, nor between the Operator and the other Parties or any of them.

2.3 Title

The Joint Venture Interest held by each of the Parties in the Joint Venture Assets pursuant to this Agreement shall be evidenced by their respective holdings of SpainCo Shares from time to time, such that the Parties' respective percentages of SpainCo Shares held shall mirror their respective Joint Venture Interests. If at any point in time the Parties' respective percentages of SpainCo Shares do not mirror their respective Joint Venture Interests, then the Party that holds more SpainCo Shares than it should shall be deemed to hold such additional SpainCo Shares in trust for the other Party until such time as title to such additional SpainCo Shares may be transferred to the other Party. Notwithstanding the foregoing, the Party that holds less SpainCo Shares than it should for its portion of outstanding SpainCo Shares to mirror its Joint Venture Interest may instead elect to correct the issue by subscribing for such number of new SpainCo Shares from treasury as would cause the Parties' respective percentages of SpainCo Shares to mirror their Joint Venture Interests.

2.4 Loss of Title

Any failure or loss of title to the Joint Venture Assets, and all costs of defending title thereto, shall be charged to the Joint Venture.

2.5 SMS to Hold Title in Trust for ILI

SMS hereby agrees and SMEC acknowledges that until the transfer of title to the Lithium Permits can be effected (the "**Interim Period**") SMS shall hold the Lithium Permits and the Lithium Project in trust on behalf of and for the sole benefit of ILI and shall consult with and take instructions from ILI with regard to such Permits and the Lithium Project. During the Interim Period any reference to ILI and its obligations in this Agreement shall be read to include SMS pursuant to such trust.

ARTICLE 3 CALCULATION OF JOINT VENTURE INTERESTS

3.1 Initial Calculation

As of the Effective Date, the initial Joint Venture Interest of each Party will be:

- (a) ILI: 70%; and
- (b) SMEC: 30%.

3.2 Agreement of Parties

Each Party acknowledges and agrees that neither Party is required to make any further payment (whether by way of cash payment, contribution to Joint Venture Expenditures or otherwise) to SpainCo or the other Party pursuant to this Agreement in order to acquire, hold or be beneficially entitled to its Joint Venture Interest as specified in Section 3.1.

3.3 Adjustment

The Joint Venture Interest of SMEC shall be carried (i.e., SMEC shall have no contribution obligations related thereto in order to maintain its Joint Venture Interest) until completion of a Prefeasibility Study on the Lithium Project (the “**Carried Interest Termination Date**”). The Joint Venture Interest of each of the Parties shall be subject to adjustment in such manner as may from time to time result from, (a) at any time, any transfer, sale, assignment, disposal or acquisition of the whole or any part of a Party’s Joint Venture Interest under or as permitted by this Agreement; or (ii) after the Carried Interest Termination Date, dilution under Section 3.4.

3.4 Dilution

- (1) Subject to the Carried Interest Termination Date having occurred and subject to the delivery by the non-Operator of a Participation Notice pursuant to Section 6.2, upon the delivery by the Operator of a Cash Call Notice in respect of a Program pursuant to Section 6.4, each Party shall be required to contribute an amount equal to the product obtained by multiplying its Joint Venture Interest (as adjusted pursuant to this Section 3.4, if applicable, and expressed as a decimal) by the amount of the cash call. In addition to the amount a Party is required to contribute to the cash call, a Party may contribute some or all of the amount that the other Party fails to contribute to such cash call.
- (2) Each Party’s respective Joint Venture Interest shall be subject to automatic adjustment in accordance with the following formula (the “**Adjusting Formula**”):

$$\text{Joint Venture Interest (expressed as a decimal)} = \frac{(A)}{(B)}$$

Where:

- A = a Party’s aggregate contributions to all cash calls made hereunder; and
- B = the aggregate contributions of both Parties to all cash calls made hereunder.

Each Party’s Adjusted Joint Venture Interest shall be rounded down to four decimal places (or the

nearest one hundredth of a percentage point). For greater certainty, the amounts used in the Adjusting Formula shall be the actual funds contributed by the Parties and that are actually spent by the Operator pursuant to this Agreement.

3.5 Transfer of SpainCo Shares Upon Dilution

A Party whose Joint Venture Interest has been diluted in accordance with Section 3.4 shall, as soon as practicable after its Joint Venture Interest has been diluted, do all acts and things and execute all documents necessary to transfer to the non-diluting Party such number of SpainCo Shares as shall cause the Parties' respective portions of SpainCo Shares to mirror their respective Joint Venture Interests in accordance with Section 2.3. The Party whose Joint Venture Interest has been diluted must bear all costs associated with its compliance with this Section 3.5. Notwithstanding the foregoing, the Party that holds less SpainCo Shares than it should for its portion of outstanding SpainCo Shares to mirror its Joint Venture Interest may instead elect to correct the issue by subscribing for such number of new SpainCo Shares from treasury as would cause the Parties' respective percentages of SpainCo Shares to mirror their Joint Venture Interests.

3.6 Continuing Liabilities upon Reduction or Dilution

Except as expressly provided for otherwise in this Agreement, any reduction or dilution of a Party's Joint Venture Interest shall not relieve that Party of its share of any liability whether arising, before or after such reduction or dilution, out of acts or omissions occurring or conditions existing prior to the Effective Date or out of Joint Venture Activities conducted during the term of this JV Agreement but prior to such reduction or dilution, regardless of when any funds may be expended to satisfy such liability. For purposes of this section, a Party's share of such liability shall be equal to its Joint Venture Interest at the time the act or omission giving rise to the liability occurred.

ARTICLE 4 MANAGEMENT COMMITTEE

4.1 Establishment

A management committee (the "**Management Committee**") shall be established to determine and set overall policies, objectives, procedures and actions for the Joint Venture. Subject to Section 4.2, the Management Committee shall consist of four (4) representatives (each, a "**Representative**"), consisting of three (3) Representatives appointed by the Majority Interest Holder and one (1) Representative appointed by the Minority Interest Holder. The Representatives shall be such individuals as are designated by each of the Majority Interest Holder and the Minority Interest Holder from time to time. Each Representative shall carry out the will of the respective Party which it represents when voting on Management Committee decisions. Decisions of the Management Committee will be by simple majority vote. The board of directors of SpainCo shall reflect the decisions of the Management Committee in all respects, and to accomplish this purpose, the Parties shall enter into the Shareholders' Agreement.

4.2 Required Joint Venture Interest

If, at any time, a Party's Joint Venture Interest falls below 10%, it shall no longer be entitled to appoint a Representative on the Management Committee, it shall cause its appointed Representative to immediately resign and the Management Committee shall thereafter consist of three (3) Representatives.

4.3 Powers and Obligations

Except as expressly provided for otherwise in this JV Agreement, the Management Committee is empowered to make all strategic and planning decisions regarding the Joint Venture. Accordingly, the Management Committee is responsible for revising, as deemed appropriate, Programs submitted by the Operator, for approving all Programs and for evaluating the results of all Programs.

4.4 Calling of Meetings

Meetings of the Management Committee shall be held at such time, date and place as may be determined by the Operator on at least ten (10) days' written notice to the non-Operator or as may be determined by the non-Operator on at least thirty (30) days' written notice to the Operator, provided that the Management Committee shall hold regular meetings at least once each calendar quarter. The Representatives attending a meeting may waive the notice period required for any meeting of the Management Committee. On receipt of any such written notice, the receiving Party may add any item(s) to the agenda if the receiving Party notifies the other Party in writing of the addition at least five (5) days before the meeting. No item which is not on the agenda may be discussed without the unanimous consent of all of the Representatives. Individuals other than the Representatives may attend meetings of the Management Committee with the unanimous consent of all of the Representatives.

4.5 Attendance at Meeting by Phone

Any Representative may attend a meeting of the Management Committee by telephone or video conference call and such Representative is deemed to be present at such meeting.

4.6 Quorum at Meetings

Subject to the provisions of Section 4.2, the quorum for any meeting of the Management Committee shall consist of at least three (3) Representatives, one of whom must be a Representative of the Minority Interest Holder. If a quorum is not present at the time and place set for a meeting, then the meeting shall be adjourned to the same place and time on the same day of the following week, subject to any earlier adjournment as agreed to by all of the Representatives of the Management Committee. At the continuation of the adjourned meeting the Management Committee may conduct business (i.e., a quorum shall be deemed to exist), if a written notice regarding the continuation of the adjourned meeting was sent to the Party whose Representative did not attend the first meeting regardless of whether such Representative is present (including if such Representative was the Representative appointed by the Minority Interest Holder). In no other circumstance may business be transacted at a meeting of the Management Committee without a quorum being present. For greater certainty, if, pursuant to Section 4.2, the Minority Interest Holder is no longer entitled to appoint a Representative on the Management Committee, a quorum for any meeting of the Management Committee shall consist of at least two (2) Representatives, and all other relevant provisions of this Section 4.6 shall apply.

4.7 Secretary of Meetings

The Representatives shall appoint a secretary to act as a secretary of the Management Committee at the beginning of each meeting of the Management Committee. Such secretary shall carry out the duties of the secretary of the Management Committee until such secretary's replacement is appointed. The secretary shall prepare and maintain minutes of each meeting of the Management Committee. The secretary shall distribute to the Representatives such minutes, as soon as practicable following each meeting and in any event within thirty (30) days after each meeting. The secretary shall also maintain, and distribute to the Representatives, copies of all correspondence and instruments received, sent or signed by the Management

Committee or the Representatives (when acting in the capacity of a Representative).

4.8 Making Decisions

All decisions of the Management Committee shall be by majority vote by the Representatives, who shall each have one vote. Alternatively, the Management Committee may transact any business by a written instrument signed by each Representative. Each decision of the Management Committee shall be final and binding on the Parties.

4.9 Unanimous Approval of Management Committee Required

- (1) Notwithstanding any term in this JV Agreement, the Operator shall not take any of the following actions without obtaining the prior written approval of the Majority Interest Holder and, subject to the Minority Interest Holder holding at least a 10% Joint Venture Interest, the Minority Interest Holder:
 - (a) abandon, sell or otherwise dispose of substantially all of the assets comprising the Lithium Project or any material portion thereof;
 - (b) relinquish or alter the terms of the Lithium Permits (other than in connection with a renewal of the Lithium Permits);
 - (c) settle any suit, Claim or demand with respect to the Lithium Project involving an amount in excess of US\$200,000;
 - (d) the entering into or amendment of any material contract with any person who is not at arm's length to any of the Parties; or
 - (e) any other matter specifically referred to herein as requiring unanimous approval of the Representatives.

4.10 Discharge of Liability

Each of the Parties hereto hereby releases and forever discharges each Representative appointed in accordance with Section 4.1 of this JV Agreement from any and all Claims which such Party may at any time hereafter have against any such Representative in respect of anything done by them in the proper performance of their duties, and agrees to indemnify, defend and save harmless the Representative appointed by it from any and all Claims against such Representative in respect of anything done by them in the proper performance of their duties, with the intent that any Claim that a Party would have had against a Representative but for the provisions of this Section 4.10 shall be satisfied by the Party for whom such Representative acted, whether such Claim arises from improper performance, negligence or wilful misconduct, provided that the Parties do not release and discharge any Representatives from, nor shall any Party be obliged to indemnify, defend and save harmless any Representative against, the wilful misconduct or negligence of such Representative. The provisions of this Section 4.10 shall survive the termination of this Agreement and may be relied upon by anyone who, from time to time, acts as a Representative. Any Party may enforce the provisions of this Section 4.10 on behalf of its Representative.

ARTICLE 5
THE OPERATOR AND ITS POWERS AND OBLIGATIONS

5.1 Appointment of Operator

Unless the Parties agree otherwise, the Majority Interest Holder will serve as Operator of the Joint Venture.

5.2 Resignation and Replacement

- (1) The Operator may resign as Operator upon notifying the non-Operator in writing of its resignation at any time after a Program has been approved by the Management Committee but before the commencement of the implementation of such Program, or at any time if no Program is being carried out at that time. Subject to Section 5.1, the Management Committee shall have the right to appoint a new Operator if:
 - (a) the Operator defaults in its obligations as operator hereunder and fails to commence and diligently undertake measures to remedy such default within thirty (30) days after the non-Operator shall have given written notice to the Operator of such default specifying in such notice the nature of the default; *provided that* the Operator shall not be in default of its obligations to the extent that any non-compliance of the Operator pursuant to this Agreement results from the non-compliance of the non-Operator; or
 - (b) the Majority Interest Holder is in material breach of a term of this Agreement or the Option Agreement.
- (2) On any change or replacement of the Operator, the retiring Operator shall transfer all data, documents, reports, records, accounts, samples and assays in its possession or control, and relating to the Mining Operations or the Joint Venture Assets, to the incoming Operator.

5.3 Powers and Obligations

- (1) The Operator will make Joint Venture Expenditures and carry out work, meet obligations pertaining to the Properties and maintain the Properties in good standing on behalf of the Joint Venture, all as described under approved Budgets and Programs. Subject to the approval of each Program by the Management Committee, the powers and obligations of the Operator shall be as follows:
 - (a) subject to the terms of this JV Agreement and any direction given by the Management Committee, to carry out all approved Programs;
 - (b) to implement the decisions of the Management Committee and carry out such other duties and responsibilities as the Management Committee may delegate from time to time;
 - (c) to manage the Joint Venture and conduct, or cause to be conducted, all Mining Operations performed under a Program in a good and workmanlike manner in accordance with good engineering and mining practice and in accordance with the terms of this JV Agreement;
 - (d) to submit each Program to the Management Committee for approval by delivering the Program to the Representatives at least twenty (20) days in advance of the meeting of the Management Committee at which such Program is to be considered;
 - (e) subject to Section 4.9 of this JV Agreement, to keep the Properties in good standing and to pay all applicable payments, fees and taxes, and other similar fees imposed by a Governmental Entity lawfully levied or assessed in respect of the Properties, except that the Operator shall not be obliged to make any such payment as long as such payment is

being contested in good faith and the non-payment thereof does not adversely affect the Properties;

- (f) subject to Article 7, Article 8, and Article 9 of this JV Agreement, to provide, purchase, lease or rent all plant, buildings, machinery, equipment, tools, appliances, materials, supplies and services required for a Program and to dispose of the same when no longer required or useful for the purposes of the Properties and the Joint Venture;
- (g) to maintain and keep the Joint Venture Assets, or to cause the Joint Venture Assets to be maintained and kept, in good operating condition and repair in accordance with good mining practice;
- (h) to comply with all Applicable Laws affecting the Joint Venture including all applicable anti-bribery or anti-corruption laws, statutes, codes and regulations of Spain;
- (i) to obtain and maintain such types and levels of property and liability insurance with respect to the Joint Venture as the Operator shall consider necessary or advisable from time to time, such coverage to include the non-Operator as a named insured to the extent of the non-Operator's undivided interest in the Joint Venture from time to time;
- (j) to require the Operator's contractors and subcontractors to take out and maintain such types and levels of property and liability insurance as the Operator shall consider necessary or advisable from time to time and to comply with the requirements of all applicable unemployment insurance and workers' compensation legislation with respect to work or services to be provided by such contractors or subcontractors;
- (k) to advise the non-Operator of any accident or occurrence resulting in any material damage to or destruction of any Joint Venture Assets or material harm or injury to any individual;
- (l) to procure such professional or technical services as may be required by the Joint Venture from time to time;
- (m) to secure all licenses, permits and approvals necessary or appropriate for the operations of the Joint Venture;
- (n) to prosecute or defend all litigation or administrative proceedings arising out of the operation of the Joint Venture, provided that any Party may also join in the prosecution or defence of any such litigation at its own expense;
- (o) to keep adequate data, information and records of the Operator's management of the Joint Venture and to keep suitable accounts which reflect all financial aspects of the Joint Venture in accordance with generally accepted accounting principles and once per year to make such available to the non-Operator, at the place designated by the Operator, within ten (10) days of receipt of a written request for disclosure by the non-Operator;
- (p) to provide the non-Operator with annual non-interpretive summary reports on the Operator's management of the Joint Venture while active, including an accounting of all Joint Venture Expenditures made by the Operator in respect of any such Program;
- (q) to permit the non-Operator, at the non-Operator's sole risk and expense, access to the Properties during normal working hours for the purpose of examining the Mining Operations up to four (4) times per year, upon at least five (5) days advance written request for access by the non-Operator, so long as such access shall not materially interfere with or impair the Operator's Mining Operations and provided that the non-Operator shall indemnify the Operator against and save it harmless from all Claims, liabilities and

expenses that the Operator may incur or suffer as a result of any injury (including injury causing death) to any representatives of the non-Operator while on the Properties except to the extent that any such Claims, liabilities or expenses result from the Operator's gross negligence or wilful misconduct;

- (r) to have all powers necessary to carry out, or cause to be carried out, all of the Operator's obligations set out in this JV Agreement and to otherwise carry out, or cause to be carried out, all Programs approved by the Management Committee;
- (s) to provide the non-Operator with quarterly reports of operating and financial information within 60 days of the Operator's quarter-end in sufficient depth and detail to allow the non-Operator to incorporate the results and information contained therein into its own quarterly financial statements, management's discussion and analysis, and any other disclosure requirements under Applicable Laws; and
- (t) to provide the non-Operator with annual reports of operating and financial information within 120 days of the Operator's year-end in sufficient depth and detail to allow the non-Operator to incorporate the results and information contained therein into its own annual financial statements, management's discussion and analysis, and any other disclosure requirements under Applicable Laws.

5.4 Reporting to the Management Committee

- (1) The Operator will deliver reports to the Management Committee, as follows:
 - (a) while field work is in progress, monthly reports indicating the status of work, results obtained therefrom, all assay results and other factual technical data prepared or obtained by the Operator and financial statements;
 - (b) during periods of no work, quarterly reports;
 - (c) all material results as soon as practical after verification by the Operator; and
 - (d) copies of any and all documents filed by the Operator to record assessment work on the Properties.

5.5 Accuracy of Information

The Operator does not make, and shall not be required to make, any representation or warranty whatsoever concerning the accuracy of information supplied pursuant to this JV Agreement. In addition, the Operator makes no representation or warranty whatsoever concerning the location or presence of ores or other valuable materials on or near the Properties or the feasibility of any Mining Operations or Commercial Production. The Operator shall have no liability to the non-Operator with respect to the foregoing.

5.6 Emergencies

In an emergency, the Operator, without the consent of the non-Operator, may take such immediate actions and make such immediate Joint Venture Expenditure as the Operator, acting reasonably, deems necessary to keep the Properties in good standing or for the protection of individuals or property. The Operator shall promptly report such emergency actions and the related Joint Venture Expenditure to the non-Operator by delivering a cash call to the non-Operator. The non-Operator shall pay its share of the Joint Venture Expenditure as set out in such cash call to the Operator in accordance with Section 6.4 of this JV Agreement.

ARTICLE 6 PROGRAMS AND BUDGETS

6.1 Contents of Program

- (1) The Operator shall periodically prepare work programs (each, a “**Program**”) and Budgets in respect of proposed Mining Operations on the Properties. The Operator shall submit such Programs and Budgets to the Management Committee for approval at least twenty (20) days prior to the meeting of the Management Committee at which time such Program and Budget shall be considered and, if deemed advisable by the Management Committee, approved. The Management Committee must approve each Program and Budget prior to implementation. Each Program and Budget shall cover a period of twelve (12) months or such other period as the Management Committee may approve.
- (2) Each Program and Budget must contain:
 - (a) a reasonably detailed outline of all Mining Operations which the Operator contemplates carrying out on the Properties and detailing the areas on the Properties to be subject to such Mining Operations and the time frame for each of the major elements of the Mining Operations; and
 - (b) a reasonably itemized Budget, broken down by month, of the projected Joint Venture Expenditures under the Program including the estimated amount and date of each payment that the non-Operator would be required to make to the Operator.
- (3) At any time, the Operator may propose to alter a previously approved Program and Budget by submitting a revised Program and Budget to the Management Committee for approval at least twenty (20) days prior to the meeting of the Management Committee at which such revised Program and Budget shall be considered and, if deemed advisable by the Management Committee, approved.

6.2 Election by non-Operator

- (1) The non-Operator may elect, by delivering notice in writing to the Operator within thirty (30) days following the approval of any Program and Budget by the Management Committee (including any revised Program and Budget), to participate in the Program and Budget up to the extent of the non-Operator’s then Joint Venture Interest (but not to any lesser extent) (such notice, a “**Participation Notice**”). The Operator shall be deemed to be participating in any Program and Budget proposed by the Operator and approved by the Management Committee.
- (2) If the non-Operator does not deliver a Participation Notice, then it shall not be entitled or obliged to contribute to the Joint Venture Expenditure incurred in respect of the applicable Program and Budget (including any revised Program and Budget).

6.3 Expenditures Made Proportionately

Subject to the provisions of this Section 6.3, each of the Operator and the Non-Operator will contribute its proportionate share, according to their respective Joint Venture Interest, towards the Joint Venture Expenditure to be made under each Program. Contributions shall be made to the Joint Venture Account in accordance with Section 6.10. Each payment by the Operator (on behalf of the Joint Venture) in respect of any Joint Venture Expenditure will be deemed to be made in proportion to each Party’s respective Joint Venture Interest, so long as each of the Parties has provided its proportionate share of the funding in respect of the Program.

6.4 Cash Calls

If the non-Operator elects to participate in a Program, for the purpose of funding the Joint Venture Expenditure in respect of the applicable Program, the Operator may submit a cash call by delivering a notice (the “**Cash Call Notice**”) to the non-Operator at least thirty (30) days preceding the first day of the quarter in which the Joint Venture Expenditures are to be made under such Program and Budget. The Operator shall provide a copy of the Program and Budget related to the cash call to the non-Operator at the time the Operator delivers the Cash Call Notice. The Cash Call Notice must set out the estimated Joint Venture Expenditure under the Program and Budget for the immediately following quarter, multiplied by each Party’s Joint Venture Interest. Within thirty (30) days of receipt of such Cash Call Notice, each Party shall pay its proportionate share of the cash call to the Joint Venture Account.

From time to time, the Operator may deliver to the non-Operator a Cash Call Notice in respect of other cash calls relating to reconciliations, bills, accounts or other requests for payment in respect of any Joint Venture Expenditure made by the Operator under a Program and Budget or otherwise in accordance with this JV Agreement. Such cash calls must set out the total amount involved, multiplied by each Party’s Joint Venture Interest. Within thirty (30) days of receipt of such Cash Call Notice by the non-Operator, each Party shall pay its proportionate share of the cash call to the Joint Venture Account.

6.5 Failure to Participate in Program

If either Party does not elect to participate in a Program, its interest shall be diluted in accordance with Section 3.4 of this JV Agreement.

6.6 Failure to Make Payment by non-Operator

If the non-Operator fails to make a required payment within the payment period referred to in Section 6.4 of this JV Agreement, the Operator shall give written notice of such non-payment and the non-Operator shall then be entitled to an additional thirty (30) days (for a total of ninety (90) days from the receipt of the Cash Call Notice) to make such payment. If the Operator or the non-Operator fails to pay its requisite amount under the Cash Call Notice to the Joint Venture Account within such additional thirty (30) day period, such Party’s Joint Venture Interest shall be diluted at two (2) times the standard dilution rate set out in Section 3.4 of this JV Agreement.

6.7 Failure to Spend at Least 80% of Budget

If the non-Operator does not elect to participate in a Program and the Operator does not make Joint Venture Expenditure under the Program at least equal to 80% of budgeted Joint Venture Expenditures under such Program, the non-Operator shall not have its Joint Venture Interest reduced in accordance with Section 3.4 of this JV Agreement if the non-Operator promptly pays to the Operator, following the completion of such Program, an amount equal to the total Joint Venture Expenditures made under such Program, multiplied by the non-Operator’s Joint Venture Interest, determined at the commencement of such Program.

6.8 Expenditures Within 10% of Budget

Joint Venture Expenditures made by the Operator exceeding the Joint Venture Expenditures contemplated by the Budget for the subject Program by less than 10% will be funded by the Parties in proportion to their Joint Venture Interest. Joint Venture Expenditures made by the Operator exceeding the Joint Venture Expenditures contemplated by the Budget by more than 10% will be funded solely by the Operator, unless such Joint Venture Expenditure is as a result of a Force Majeure event or as otherwise agreed by the Parties in writing. Unless otherwise agreed by the Parties in writing, any such payments exceeding the Joint

Venture Expenditures contemplated by the Budget by more than 10% which are made by either the Operator or the non-Operator will not form part of the calculations used to determine the Joint Venture Interest of the Parties in accordance with Section 3.4 of this JV Agreement.

6.9 Return of Surplus Monies

If, after completion of any Program, the Operator is in possession of any moneys contributed by the non-Operator and which, in the Operator's opinion, are not required for the discharge of obligations relating to such Program, the Operator shall repay such moneys to the non-Operator forthwith upon demand.

6.10 Joint Venture Account

The Management Committee will establish a bank account for SpainCo (the "**Joint Venture Account**") with one of the four largest Spanish retail banks. The Joint Venture Account shall be established such that each Party can make deposits or transfers to the Joint Venture Account within two (2) Business Days of initiating such transfer. All funding obligations in respect of any Program shall be deposited in the Joint Venture Account by the Parties. The Management Committee shall approve signing authorities and other authorization levels for the Joint Venture Account.

6.11 Distribution Policy

Upon commencement of Commercial Production, the policy of the Joint Venture shall be to regularly distribute to Joint Venture Interest holders all free cash flow, subject to any withholding for planned capital expenditures, debt repayment or contingency as determined by the Operator.

6.12 Operator's Rights on Alteration

If an alteration of a Program or a Budget or an inability of the Operator to proceed with a Program or a Budget necessitates the termination of any contract or arrangement entered into by the Operator under a Program or a Budget or work is required to be performed and costs, charges and expenses are required to be incurred in order to properly cease any Joint Venture Activity required to be ceased by either of the circumstances referred to above, then termination of that contract or arrangement and the undertaking of such work shall be deemed to be authorized as Joint Venture Activities and the costs, charges and expenses incurred in such termination or such work shall be deemed to be Joint Venture Expenditures.

ARTICLE 7 DEALINGS WITH AFFILIATES

7.1 Transactions at Fair Market Value

Any Joint Venture Assets that the Operator, SMEC or SpainCo may purchase, lease or rent from an Affiliate or any non-arm's length person to any Party shall be purchased, leased or rented at fair market value at competitive market rates and on such other terms no more favourable than that which would be the case between arm's length persons in commercial transactions of a similar nature. The cost of all work which the Operator may contract to an Affiliate or any non-arm's length person shall be equal to the fair market value of such work at competitive market rates. Any Joint Venture Assets that the Operator may sell or otherwise dispose of to an Affiliate or any non-arm's length person shall be sold or otherwise disposed of at fair market value at competitive market rates. The Operator shall pay the net proceeds received in respect of such Joint Venture Assets, if any, to the Parties in proportion to their respective Joint Venture Interests. Any contract proposed to be entered into by SpainCo with an Affiliate of a Party shall first require the

written consent of the other Party before such contract is entered into.

7.2 Right of First Offer on Processing

SpainCo hereby grants to SMEC a right to make a first offer to process Mineral Product, unrelated to lithium or lithium related minerals, generated by SpainCo, subject to such offer being on reasonable commercial terms as determined by the Operator.

ARTICLE 8 USE OF SURPLUS JOINT VENTURE ASSETS

8.1 Use of Surplus Joint Venture Assets

The Operator may use any Joint Venture Assets which are no longer required for the Joint Venture for such other purposes and on such terms as the Operator may from time to time determine with the prior written consent of the non-Operator. The Operator shall pay the net proceeds received in respect of such Joint Venture Assets, if any, to the Parties in proportion to their respective Joint Venture Interests. If such surplus Joint Venture Assets are used by the Operator outside the scope of the Joint Venture or are used by an Affiliate of the Operator outside the scope of the Joint Venture, then the net proceeds in respect of such use shall be deemed to be an amount equal to what could be obtained from an arm's length third party.

ARTICLE 9 TRANSFERS OF JOINT VENTURE INTERESTS

9.1 Limitations on Transfers

Except if permitted under and in accordance with this JV Agreement, no Party will transfer, convey, assign, mortgage, pledge or grant an option in respect of or grant a right to purchase or in any manner transfer, alienate or otherwise dispose of (each action a, "**Transfer**") any or all of its JV Interest or transfer or assign any of its rights under this Agreement.

9.2 Right of First Offer

If a Party (the "**Transferring Party**") wishes to Transfer all of its JV Interest and its rights under this Agreement (the "**Holdings**"), other than as contemplated under Section 9.3, then it must prior to any such transfer first offer in writing to Transfer the Holdings to the other Party for a cash consideration and upon such other terms and conditions as the Transferring Party deems fit (the "**Transfer Offer**"). If the other Party accepts the Transfer Offer within the 90-day period following its receipt, then the Transfer will be concluded no later than 90 days after such acceptance. If the other Party does not accept the Transfer Offer in writing within such 90-day period, then the Transferring Party will be free to Transfer the Holdings to a third party at any time after the expiry of such 90-day period and prior to the expiry of the succeeding 90-day period, but only for a cash consideration equal to or greater than the cash consideration stated in the Transfer Offer and upon other terms and conditions no less favourable to the Transferring Party than those contained in the Transfer Offer. If the Transferring Party's Transfer of the Holdings to the other Party or to a third party is not concluded prior to the expiry of such 90-day period as aforesaid, any subsequent Transfer by the Transferring Party will be subject to the provisions of this Section 9.2.

9.3 Exceptions

- (1) Nothing in Section 9.2 applies to or restricts in any manner:
 - (a) a disposition by the Transferring Party of all or a portion of its JV Interest and a transfer or assignment of a proportionate interest in this Agreement to an Affiliate of the Transferring Party, provided that such Affiliate first assumes and agrees to be bound by the terms of this Agreement and agrees with the other Party in writing to retransfer such interests to the Transferring Party before ceasing to be an Affiliate of the Transferring Party; or
 - (b) an amalgamation or corporate reorganization involving the Transferring Party with an Affiliate which has the effect in law of the amalgamated or surviving corporation possessing all the property, rights and interests and being subject to all the debts, liabilities and obligations of each amalgamating or predecessor corporation; or
 - (c) a sale, forfeiture, charge, withdrawal, transfer or other disposition or encumbrance which is otherwise specifically required or permitted under this Agreement.

9.4 Conditions of Transfers

As a condition of any Transfer other than to another Party, the transferee must covenant and agree to be bound by this Agreement, including this Article 9, and prior to the completion of any such Transfer, the Transferring Party must deliver to the other Party evidence thereof in a form satisfactory to such other Party. Notwithstanding any such Transfer, the Transferring Party will remain liable for all of its obligations hereunder, unless the Holdings have been transferred to a third party pursuant to Section 9.2.

9.5 Partial Transfers

- (1) If the Transferring Party transfers less than all of its entire interest in the Properties and under this Agreement, the Transferring Party and its transferee shall act and be treated as one Party and, for such Transfer to be effective, the Transferring Party must first deliver to the other Party the agreement in writing of the Transferring Party and its transferee in favour of the other Party in which:
 - (a) as between the Transferring Party and the transferee, the one of them who is authorized to act as the sole agent (the “**Agent**”) on behalf of both of them with respect to all matters pertaining to this Agreement is designated;
 - (b) the Transferring Party and its transferee agree between each other and jointly represent and warrant to other Party that:
 - (i) the Agent has the sole authority to act on behalf of, and to bind, the Transferring Party and its transferee with respect to all matters pertaining to this Agreement;
 - (ii) the other Party may rely on all decisions of, notices and other communications from, and failures to respond by, the Agent, as if given (or not given) by both the Transferring Party and its transferee; and
 - (iii) all decisions of, notices and other communications from, and failures to respond by, the other Party to the Agent shall be deemed to have been given (or not given) concurrently to the Transferring Party and its transferee.

ARTICLE 10 INSURANCE PROCEEDS

10.1 Order of Application

The Operator shall apply, to the extent determined by the Operator, any insurance proceeds received by the Operator in respect of any loss or damage to Joint Venture Assets towards the repair or replacement of the lost or damaged Joint Venture Assets. The Operator shall pay the remaining proceeds received in respect of such Joint Venture Assets, if any, to each Party in proportion to its Joint Venture Interest.

ARTICLE 11 SETTLEMENT PAYMENTS

11.1 Settlement Expenses to Constitute Expenditures

All costs and expenses (including legal fees and disbursements), net of any insurance proceeds, incurred and paid by the Operator in settlement of any Claim (including a payment made, or an action taken, by the Operator as a result of an action of a Governmental Entity or community group) in any manner related to the Joint Venture shall constitute a Joint Venture Expenditure made by the Operator under the applicable Program. In addition, the non-Operator, severally in proportion to its Joint Venture Interest calculated on the date that the initial liability was incurred which gives rise to this indemnification obligation, shall indemnify and hold harmless the Operator for any Claim (including an action of a governmental agency which results in a payment made, or an action taken, by the Operator) in any manner related to the Joint Venture, except to the extent that such Claim arose from the negligence or wilful misconduct of the Operator and or breach of this Agreement or breach of Applicable Laws by the Operator.

ARTICLE 12 LIABILITY OF OPERATOR

12.1 Operator Liability for Negligence or Wilful Misconduct Only

The Operator shall not be liable to the non-Operator for any Claim (including a payment made, or an action taken, by the Operator as a result of an action of a Governmental Entity) in any manner related to the Joint Venture, except to the extent that such Claim is attributable to the negligence or wilful misconduct of the Operator. Without limiting the foregoing, in no event (including fundamental breach) shall the Operator be liable to the non-Operator for any indirect, special or consequential damages (including for loss of goodwill, loss of actual or anticipated profits or other economic loss), even if the Operator has been advised of the potential for such damages.

ARTICLE 13 NO RESTRICTION ON OTHER ACTIVITIES

13.1 No Restriction Outside Scope of Joint Venture

Each Party has the unrestricted right to engage in, and receive the full benefit of, any activity outside the scope of the Joint Venture, without consulting with, or accounting to, the other Parties, or permitting the other Parties to participate in such activity, save as otherwise restricted under this Agreement.

ARTICLE 14 INFORMATION

14.1 Confidential Information

- (1) Each of ILI, SMEC, SMS or SpainCo will provide such information (“**Confidential Information**”) as to its financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other Parties in connection with the transactions contemplated herein. Confidential Information shall include information obtained by the Operator in its capacity as Operator. Confidential Information shall not include information that: (i) is generally available to, and known by, the public through no fault of the recipient of the Confidential Information, its Affiliates or any of their respective Representatives; or (b) is lawfully acquired by the recipient of the Confidential Information, any of its Affiliates or any of their respective Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. Each Party shall hold, and shall use its reasonable best efforts to cause its Affiliates and Representatives to hold, all Confidential Information in confidence.
- (2) No Confidential Information may be released to third parties by the recipient of Confidential Information without the consent of the provider thereof, except that the Parties agree that they will not unreasonably withhold such consent to the extent that such Confidential Information is compelled to be released by Applicable Laws or by a Governmental Entity.
- (3) Each party acknowledges that some or all of the Confidential Information is or may be undisclosed material information or price-sensitive information and that its use may be regulated or prohibited by Applicable Laws, including securities laws relating to insider trading, insider dealing and market abuse, and each Party undertakes not to use any Confidential Information of the other Parties in contravention of any Applicable Laws.

14.2 Access to Information

SMEC and ILI recognize the existence of continuous and timely disclosure requirements under the securities regulatory regimes in which they operate. Accordingly, the Operator expressly undertakes to grant to SMEC the right to access such information as the non-Operator may reasonably require to facilitate its compliance with Applicable Laws on a timely basis.

14.3 Public Announcements

Unless otherwise required by Applicable Laws or stock exchange requirements (based upon the reasonable advice of counsel), no Party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed), and the Parties shall cooperate as to the timing and contents of any such announcement.

ARTICLE 15 TERMINATION

15.1 Winding Up of Joint Venture and Distribution of Assets

If the Parties agree to terminate in writing the Joint Venture, the Operator may take any actions necessary or desirable to wind up the Joint Venture. All costs, charges and expenses of winding up the Joint Venture (including in respect of any reclamation) shall be for the account of the Joint Venture and the Parties shall

divide the Joint Venture Assets in proportion to their Joint Venture Interests, although any loans advanced to the Joint Venture by a Party shall be satisfied before any other distribution of assets is made to the Parties.

15.2 Termination upon Act of Insolvency

The Joint Venture shall immediately terminate and any Joint Venture Interest that SMEC then holds shall immediately and irrevocably transfer to ILI if:

- (a) SMEC or any of its subsidiaries:
 - (i) admits in writing that it is insolvent or unable to pay its debts or liabilities as they generally become due;
 - (ii) commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada), files a voluntary assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada), makes a proposal (or files a notice of its intention to do so) under the *Bankruptcy and Insolvency Act* (Canada) or seeks any other relief in respect of itself under the *Bankruptcy and Insolvency Act* (Canada);
 - (iii) institutes any proceedings seeking relief in respect of itself under the *Companies' Creditors Arrangement Act* (Canada);
 - (iv) institutes any proceeding seeking relief in respect of itself under the *Winding Up and Restructuring Act* (Canada);
 - (v) in addition to the foregoing, institutes any other proceeding seeking: (a) to adjudicate itself an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of itself under any federal, provincial or foreign applicable law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, receivership, restructuring of business, assets or debt, reorganization of business, assets or debt or protection of debtors from their creditors (such applicable law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides for plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise, in respect of itself, to be submitted or presented to creditors (or any class of creditors);
 - (vi) applies for the appointment of, or has a receiver (either court or privately appointed), interim receiver, receiver or manager (either court or privately appointed), sequestrator, monitor, conservator, custodian, administrator, trustee, liquidator or other similar official appointed in respect of it, or any substantial part of its property; or
 - (vii) threatens to do any of the foregoing, or takes any action, corporate or otherwise, to approve, effect, consent to or authorize any of the actions described in this Section 15.2(a);
- (b) any petition is filed, application made or other proceeding instituted against or in respect

of SMEC or any of its subsidiaries:

- (i) seeking to adjudicate it an insolvent person;
- (ii) seeking a bankruptcy order against it under the *Bankruptcy and Insolvency Act* (Canada);
- (iii) seeking to institute proceedings against it under the *Companies' Creditors Arrangement Act* (Canada);
- (iv) seeking to institute proceedings against it under the *Winding Up and Restructuring Act* (Canada);
- (v) seeking, in addition to the foregoing: (a) to adjudicate it an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of it under any federal, provincial or foreign applicable law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, receivership, restructuring of business, assets or debt, reorganization of business, assets or debt, or protection of debtors from their creditors (such applicable law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise in respect of it, to be submitted or presented to creditors (or any class of creditors); or
- (vi) seeking the issuance of an order for the appointment of a receiver, interim receiver, receiver or manager, sequestrator, monitor, conservator, custodian, administrator, trustee, liquidator or other similar official in respect of it or any substantial part of its property,

and such petition, application or proceeding continues undismissed, or unstayed and in effect, for a period of five (5) days after the institution thereof, provided that: (a) if SMEC or the applicable subsidiary fails to contest such petition, application or proceeding the five day grace period shall cease to apply; (b) if an order, decree or judgment is issued (whether or not entered or subject to appeal) against the SMEC or the applicable subsidiary thereunder within the five day period, such grace period will cease to apply, and (c) if SMEC or the applicable subsidiary files an answer or other responding materials admitting the material allegations of a petition, application or other proceeding filed against it, such grace period will cease to apply; or

- (c) any other event occurs which, under the laws of any applicable jurisdiction, has an effect equivalent to any of the events referred to in either of Section 15.2(a) or (b).

ARTICLE 16 INDEMNIFICATION

16.1 Indemnity

Each Party shall indemnify and hold harmless the other Parties from and against any Claims arising out of any act or any obligation or responsibility by such indemnifying Party done or undertaken outside the scope of this JV Agreement or in violation or breach of any of the terms or provisions of this JV Agreement other than any such acts or assumptions of any obligations or responsibility undertaken pursuant to an authorization expressly granted in writing by the other Party, except when resulting from negligence or wilful misconduct.

16.2 Survival

Notwithstanding any other provision of this JV Agreement, the indemnities provided in this JV Agreement shall remain in full force and effect until all possible liabilities of the Persons indemnified thereby are extinguished by the operation of Law and will not be limited to or affected by any other indemnity obtained by such indemnified persons from any other person.

ARTICLE 17 ARBITRATION

17.1 Best Endeavours to Settle Disputes

In the event of any dispute, Claim, question or difference arising out of or relating to this Agreement or any breach hereof, the Parties shall use their best endeavours to settle such dispute, Claim, question or difference. To this effect, they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to all Parties.

17.2 Arbitration

- (1) Except as is expressly provided in this Agreement, if the Parties do not reach a solution pursuant to Section 17.1 within a period of thirty (30) Business Days following the first notification in writing by any Party to another Party of any dispute, Claim, question or difference, then upon written notice by any Party to the others, the dispute, Claim, question or difference shall be finally settled by arbitration in accordance with the rules of the International Arbitration Rules of the International Centre for Dispute Resolution.
- (2) The arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the Parties, or in the event of failure to agree within ten (10) Business Days, the Party initiating the arbitration and the Party against whom the Claim is being made shall each appoint an arbitrator, and the two arbitrators so appointed shall thereupon meet and select a third arbitrator and the third arbitrator alone shall be the arbitrator to hear and arbitrate the dispute.
- (3) The arbitration shall take place on the following basis:
 - (a) the dispute shall be decided by a single arbitrator;
 - (b) the seat of arbitration shall be Toronto, Canada, or such other location as the Parties may agree;
 - (c) the language of the arbitration shall be English; and

- (d) the governing law of the contract shall be the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (4) The arbitrator shall be instructed that time is of the essence in proceeding with their determination of any dispute, Claim, question or difference and, in any event, the arbitration award must be rendered within thirty (30) days of the commencement of the arbitration, or such other timeframe as the Parties may agree.
- (5) The arbitration award shall be given in writing and shall be final and binding on the Parties, and shall deal with the question of costs of arbitration and all matters related thereto.
- (6) Judgment upon the award rendered may be entered in any court having jurisdiction, or application may be made to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be.

ARTICLE 18 GENERAL

18.1 Expenses

Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, other than the expenses of the preparation of this Agreement, which shall be borne by ILI.

18.2 Currency

Unless otherwise specified, all dollar amounts expressed in this JV Agreement are in currency of the United States of America.

18.3 Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 18.3):

- (a) to ILI at:

IberAmerican Lithium Inc.
365 Bay Street, Suite 800
Toronto, Ontario
M5H 2V1

Attention: Campbell Becher, CEO
Email: [redacted]

with a copy to:

Wildeboer Dellelce LLP
Suite 800
365 Bay Street
Toronto, Ontario
M5H 2V1

Attention: Peter Volk
Email: [redacted]

(b) to SMEC at:

Strategic Minerals Europe Corp.
Suite 800, 365 Bay Street
Toronto, Ontario
M5H 2V1

Attention: Jaime Perez Branger
Email: [redacted]

(c) to SpainCo at the address noted above for the Majority Interest Holder at the applicable time.

18.4 Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

18.5 Entire Agreement

This Agreement constitutes the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

18.6 Recitals

The Parties hereby agree to incorporate and be bound by the recitals to this Agreement.

18.7 Successors and Assigns

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

18.8 No Third-Party Beneficiaries

This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted

assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under, or by reason of, this Agreement.

18.9 Amendment and Modification; Waiver

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

18.10 Governing Law; Forum Selection

- (1) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
- (2) Subject to Article 17, any Claim arising out of or based upon this Agreement or the transactions contemplated hereby may be brought in the courts of the Province of Ontario, and each Party irrevocably submits and agrees to attorn to the exclusive jurisdiction of that court in any such Claim. The Parties irrevocably and unconditionally waive any objection to the venue of any Claim or proceeding in that court and irrevocably waive and agree not to plead or claim in that court that such Claim has been brought in an inconvenient forum.

18.11 Specific Performance

The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

18.12 Calculation of Time

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Toronto time) on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. (Toronto time) on the next succeeding Business Day.

18.13 Remedies Cumulative

Unless otherwise stated in this Agreement, the rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

18.14 Further Assurances

Each Party shall from time to time execute and deliver or cause to be executed and delivered all such further documents and instruments and do or cause to be done all further acts and things as any of the other Parties may reasonably require as being necessary or desirable in order to effectively carry out or better evidence

or perfect the full intent and meaning of this Agreement or any provision hereof and thereof.

18.15 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF this Agreement has been executed as of the date first above given.

IBERAMERICAN LITHIUM INC.

Per: _____

Name:

Title:

I have the authority to bind the corporation.

**STRATEGIC MINERALS EUROPE
CORP.**

Per: _____

Name:

Title:

I have the authority to bind the corporation.

STRATEGIC MINERALS SPAIN, S.L.U.

Per: _____

Name:

Title:

I have the authority to bind the corporation.

IBERAMERICAN LITHIUM SPAIN, S.L.

Per: _____

Name:

Title:

I have the authority to bind the corporation.

SCHEDULE 1.1(yy)
SHAREHOLDERS' AGREEMENT

See attached.

UNANIMOUS SHAREHOLDERS' AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is effective as of the 28th day of December, 2022

AMONG:

IBERAMERICAN LITHIUM INC., a corporation existing under the laws of the Province of Ontario,

(“**ILI**”)

OF THE FIRST PART

AND:

STRATEGIC MINERALS EUROPE CORP., a corporation existing under the laws of the Province of Ontario,

(“**SMEC**”)

OF THE SECOND PART

AND:

IBERAMERICAN LITHIUM SPAIN S.L., a company existing under the laws of Spain,

(the “**Company**”)

AND

Any Person (as hereinafter defined) who becomes a party to this Agreement by executing an Assumption Agreement in the form attached hereto as Schedule A,

(such Persons, together with ILI, SMEC and the Company, collectively, the “**Parties**” and each, a “**Party**”).

WHEREAS:

- A. as of the date of this Agreement, ILI holds 70 per cent of the issued share capital of the Company and SMEC holds the remaining 30 per cent of the issued share capital of the Company, together representing all of the issued and outstanding Shares (as hereinafter defined);
- B. the Company owns and controls the Properties (as hereinafter defined);
- C. the Parties have entered into a joint venture in respect of the exploration, development, exploitation and operation of the Lithium Project (as hereinafter defined) pursuant to a joint venture agreement effective as of the date hereof among ILI, SMEC and the Company (as the same may be amended from time to time, the “**JV Agreement**”); and

- D. the Parties have agreed to enter into this Agreement as being in their respective best interests and for the purpose of providing for the operation of the Company in accordance with the JV Agreement.

NOW THEREFORE, in consideration of the premises and the mutual agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

1. Interpretation.

1.1 The following terms have the meanings specified or referred to in this Section 1.1:

“Affiliate” means any person, partnership, joint venture, corporation or other form of enterprise which directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, “control” means possession, directly or indirectly, of the power to direct or cause the direction of management and policies through ownership of voting securities, contract, voting trust or otherwise.

“Applicable Laws” has the meaning set forth in the JV Agreement.

“Board” means the board of directors of the Company.

“Encumbrance” means any interest or equity of any person (including any right to acquire, option or pre-emptive right) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.

“Joint Venture Interest” has the meaning set forth in the JV Agreement.

“JV Agreement” has the meaning set forth in the recitals of this Agreement.

“Lithium Project” has the meaning set forth in the JV Agreement.

“Majority Shareholder” means (i) ILI, if ILI, together with its Affiliates, beneficially owns more than 50% of the outstanding Shares; or (ii) SMEC, if SMEC, together with its Affiliates, beneficially owns more than 50% of the outstanding Shares.

“Management Committee” has the meaning set forth in the JV Agreement.

“Minority Shareholder” means (i) ILI, if ILI, together with its Affiliates, beneficially owns less than 50% of the outstanding Shares; or (ii) SMEC, if SMEC, together with its Affiliates, beneficially owns less than 50% of the outstanding Shares.

“Person” means any individual, partnership (whether general or limited), limited liability company, corporation, association, trust, members of a joint venture entity or other entity.

“Properties” has the meaning set forth in the JV Agreement.

“Shareholders” means the holders of Shares.

“Shares” means the shares (*participaciones sociales*) in the capital of the Company.

- 1.2 For purposes of this Agreement: (a) the words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; (c) the words “herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole; and (d) whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Schedules mean the Articles and Sections of, and Schedules attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. The Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

2. Status of Agreement and New Shareholders.

- 2.1 To the extent that this Agreement specifies that any matter must be dealt with or approved by, or requires action by, the Shareholders or the Management Committee or otherwise has the effect of restricting in whole or in part the powers of the Board to manage or to supervise the management of the business and affairs of the Company, the powers of the Board to manage and to supervise the management of the business and affairs of the Company with respect to such matters are correspondingly restricted but without preventing the directors from taking any such action required by them to comply with their fiduciary duties to the Company under Applicable Laws.
- 2.2 Each Party shall, to the extent that it is able to do so and complies with Applicable Laws, exercise all its voting rights, sign such resolutions and exercise such other powers in relation to the Company to ensure that the provisions of this Agreement are properly and promptly observed and given full force and effect.
- 2.3 If any provision of this Agreement conflicts with the articles or by-laws of the Company, the provisions of this Agreement will prevail and the Parties shall take and cause to be taken all actions necessary to amend the articles or by-laws so as to eliminate any conflict.
- 2.4 Any proposed new shareholder of the Company not a party to this Agreement at the date hereof, including any transferee to whom shares are to be transferred by a Shareholder and any new Shareholder who acquires newly issued shares, must, prior to being registered as a shareholder of the Company, sign an Assumption Agreement substantially in the form attached hereto as Schedule “A” together with such other instruments and documents as the Board may reasonably require.

3. Representations and Warranties.

- 3.1 Each Shareholder hereby represents and warrants to the Company and the other Shareholders, and acknowledges and confirms that the Company and the other Shareholders are relying on such representations and warranties in connection with entering into this Agreement, that:

- (a) it is the beneficial owner of the Shares as set out in the recitals to this Agreement, free and clear of all Encumbrances (except as provided in this Agreement or the JV Agreement);
- (b) such Shareholder is duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation with the corporate power to own its assets;
- (c) such Shareholder has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (d) this Agreement constitutes a valid and legally binding obligation of such Shareholder, enforceable against such Shareholder in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that specific performance is an equitable remedy available only in the discretion of the court; and
- (e) neither the entering into nor the delivery of this Agreement nor carrying out by such Shareholder of its obligations hereunder will result in the violation of: (i) any of the provisions of the constating documents, by-laws or establishing documents of such Shareholder; (ii) any agreement or other instrument to which such Shareholder is a party or by which such Shareholder is bound; or (iii) any applicable law in respect of which such Shareholder must comply.

4. JV Agreement.

The Parties hereby agree to comply with the JV Agreement as if the terms and conditions of the JV Agreement were reproduced in this Agreement in full. For clarity, the powers of the Board to manage or to supervise the management of the business and affairs of the Company are restricted to the extent that the JV Agreement gives such powers to the Management Committee.

5. Board of Directors.

- 5.1 The Company shall be governed by the Board, which, unless otherwise agreed by ILI and SMEC in writing, shall consist of four (4) directors until such time as the Minority Shareholder shall cease to have a director nomination right, at which point the Board shall consist of three (3) directors.
- 5.2 The Majority Shareholder shall, at all times, be entitled to nominate three (3) directors to the Board and the Minority Shareholder shall, for so long as the Minority Shareholder holds at least 10% of the outstanding Shares, be entitled to nominate one (1) director to the Board.
- 5.3 Any vacancy occurring on the Board by reason of the death, disqualification, inability to act, resignation or removal of any director may be filled only by a further nominee of the Shareholder whose nominee was so affected. A Shareholder may appoint a director by delivering to the Company a notice signed by that Shareholder specifying the person so appointed and the term of any proposed appointment, otherwise the director so appointed shall remain on the Board until removal, death or resignation.
- 5.4 At any time, a Shareholder may replace any director on the Board in respect of whom such Shareholder has a nomination right. Each Shareholder shall use its reasonable endeavours to ensure that each director nominated by it shall observe the provisions of this Agreement.

- 5.5 In the event that a nominee director of any Shareholder resigns or is removed from the Board, such Shareholder shall forthwith deliver or cause to be delivered to the Company a resignation and release of such nominee Director in a form of resignation and release reasonably satisfactory to the Company. The Shareholder removing a director shall indemnify and keep indemnified the Company against any claim connected with that director's removal from office and any legal costs associated with the same.
- 5.6 Each Shareholder shall vote their or Shares or execute written resolutions to elect the directors nominated in accordance with this Agreement.
6. Board Matters.
- 6.1 Meetings of the Board shall be held at such time or times as may be requested by any director. Unless notice shall have been waived in writing by all of the directors, notice of each meeting shall be given to each director by email, telephone, facsimile or courier not less than three (3) calendar days prior to the holding of such meeting.
- 6.2 Quorum for meetings of the Board shall be a majority of the directors, one of whom must be the director nominated by the Minority Shareholder, if applicable, each present in person or by means of conference telephone or other communications equipment as permits all directors participating in the meeting to communicate with each other simultaneously and instantaneously (and, for greater certainty, a meeting of the Board may be constituted at which some directors are present in person and other directors are present by means of such communication facilities). If a quorum is not present at the time and place set for a meeting, then the meeting shall be adjourned to the same place and time on the same day of the following week, subject to any earlier adjournment as agreed to by all of the directors. At the continuation of the adjourned meeting, the Board may conduct business (i.e. a quorum shall be deemed to exist) if a written notice regarding the continuation of the adjourned meeting was sent to the Shareholder whose director did not attend the first meeting regardless of whether such director is present (including if such director was the director nominated by the Minority Shareholder). In no other circumstance may business be transacted at a meeting of the Board without a quorum being present.
- 6.3 The decision of a majority of the members of the Board shall be the decision of the Board.
- 6.4 The Company shall maintain sufficient directors' and officers' liability insurance and such other insurances in respect of risks faced by the Company in relation to its assets determined in accordance with good commercial practice and on the advice of the Company's insurance brokers, save to the extent that directors shall be covered by other insurance policies.
7. Shareholder Approval Matters.
- 7.1 The following matters require the prior written approval of ILI and SMEC:
- (a) altering the name of the Company;
 - (b) the conversion, reclassification, subdivision, consolidation, exchange, redesignation, or any other change to any of the Shares;
 - (c) the redemption or purchase by the Company for cancellation of any of the Shares; and

- (d) effecting the resolution, or filing of petitions, to wind up or liquidate the Company or the application for an administration order in respect of the Company or its assets.
- 8. Transfers of Shares.
 - 8.1 Unless otherwise agreed by ILI and SMEC in writing, a Shareholder may only transfer Shares for the purpose of causing the Shareholders' respective percentages of Shares held to mirror their respective Joint Venture Interests or otherwise in accordance with the JV Agreement.
 - 8.2 Unless otherwise agreed by ILI and SMEC in writing, no Shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any Person any rights in or over any Share or interest in any Share unless it is permitted or required to do so under this Agreement and carried out in accordance with the terms of this Agreement.
- 9. Treasury Issuances.
 - 9.1 Unless otherwise agreed by ILI and SMEC in writing, the Company may only issue new Shares for the purpose of causing the Shareholders' respective percentages of Shares held to mirror their respective Joint Venture Interests.
 - 9.2 Subject to Section 9.1, the Company shall not issue any new securities without the prior written consent of ILI and SMEC.
- 10. Auditor.
 - 10.1 The Majority Shareholder shall be entitled to appoint the auditor of the Company.
- 11. Termination and Liquidation.
 - 11.1 This Agreement shall terminate:
 - (a) upon the written agreement of ILI and SMEC;
 - (b) when one Shareholder, together with its Affiliates, beneficially owns all of the outstanding Shares; or
 - (c) when a resolution is passed by Shareholders or creditors, or an order is made by a court or other competent body or Person instituting a process that will lead to the Company being wound up and its assets being distributed among the Company's creditors, Shareholders or other contributors.
 - 11.2 Termination of this Agreement shall not affect any rights, remedies, obligations or liabilities of the Parties that have accrued up to the date of termination.
- 12. Further Assurances. Each of the Parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to this Agreement.
- 13. Assignment.

No Party may assign, transfer, mortgage, charge, sub-contract, declare a trust over or deal in any other manner with any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Parties. Any purported assignment or delegation in violation of this Section 13 shall be null and void. No assignment or delegation shall relieve the assigning or delegating Party of any of its obligations hereunder. Each Party confirms that it is acting on its own behalf and not for the benefit of any other Person.

14. Entire Agreement.

This Agreement and the schedules hereto, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. Each Party acknowledges that in entering into this Agreement, it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty that is not set out in this Agreement.

15. Modification and Waiver.

15.1 This Agreement may only be amended, modified or supplemented by an agreement in writing signed by ILI, SMEC and the Company.

15.2 No waiver by any Party of any of the provisions hereof is effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party will operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement will operate or be construed as a waiver thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15.3 A Person that waives any right or remedy provided under this Agreement or by law in relation to one Person or takes or fails to take any action against that Person, does not affect its rights or remedies in relation to any other Person.

16. No Partnership or Agency.

Nothing herein shall be construed to create a partnership or agency between the Parties hereto. Except where otherwise stated, no Party hereto has any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any third party.

17. Notices.

Notices shall be delivered to the Parties as set out in the JV Agreement. A notice shall be deemed to be delivered to an Affiliate of ILI or an Affiliate of SMEC if such notice was duly delivered to ILI or SMEC, as applicable.

18. Severability.

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

19. Benefit of the Agreement.

This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and permitted assigns of the Parties.

20. Counterparts.

This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

21. Governing Law.

This Agreement is governed by and will be construed in accordance with the laws of Spain and shall be treated in all respects as a Spanish contract.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

IBERAMERICAN LITHIUM INC.

Per: _____
Name:
Title:

**STRATEGIC MINERALS EUROPE
CORP.**

Per: _____
Name:
Title:

IBERAMERICAN LITHIUM SPAIN S.L.

Per: _____
Name:
Title:

**SCHEDULE “A”
FORM OF ASSUMPTION AGREEMENT**

TO: IBERAMERICAN LITHIUM SPAIN S.A.S. (the “Company”)
AND TO: THE BOARD AND SHAREHOLDERS OF THE COMPANY
RE: Unanimous Shareholders’ Agreement dated December 28, 2022 between the Company and its shareholders (the “Agreement”)

Unless otherwise defined herein, all words and terms with the initial letter or letters thereof capitalized in this assumption agreement and not defined herein but defined in the Agreement shall have the meanings given to such capitalized words and terms in the Agreement.

The undersigned, in consideration of being permitted to own _____ Shares in the capital of the Company and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), covenants and agrees as follows:

- A. the undersigned agrees to be bound by all of the provisions of the Agreement as if the undersigned were an original signatory thereto and hereby agrees to be a Party to the Agreement; and
- B. without limiting the generality of the foregoing, the undersigned hereby covenants and agrees that, except for Section 3.1(a), all of the representations and warranties set out in Section 3 of the Agreement shall be true and correct as of the date hereof.

DATED as of this ____ day of _____, 20____.

[SHAREHOLDER NAME]

Per: _____
Name:
Title:

SCHEDULE 2.1(2)
PROMISSORY NOTE

See attached.

PROMISSORY NOTE

December 28, 2022

AMOUNT: \$1,000,000

THIS PROMISSORY NOTE (this “**Note**”) is issued on the 28th day of December, 2022 by **IberAmerican Lithium Inc.** (the “**Payor**”) to **Strategic Minerals Europe Corp.** (the “**Holder**”).

WHEREAS:

- A. reference is made to the option agreement dated December 28, 2022 (the “**Option Agreement**”) by the Payor, as Optionee, and the Holder, as Optionor, among others, under which the Holder granted the Payor the irrevocable exclusive right and option to subscribe for such number of new Lithium HoldCo Shares, as defined in the Option Agreement, which, post-issuance, will represent 70% of the issued and outstanding Lithium HoldCo Shares; and
- B. under the Option Agreement, the Payor has agreed to issue in favour of the Holder a promissory note in the principal amount set forth above representing a portion of the purchase price payable to the Holder under the Option Agreement.

NOW, THEREFORE, in consideration of the covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Payor agrees as follows:

1. Subject to the terms and conditions hereof, the Payor hereby acknowledges itself indebted and unconditionally promises to pay to the Holder on February 15, 2023 the principal amount of **ONE MILLION DOLLARS (\$1,000,000)** in lawful money of Canada. The principal amount remaining from time to time unpaid and outstanding under this Note shall not bear interest.
2. The Payor has the right and privilege of prepaying the whole or any portion of the principal amount of this Note at any time or times without notice, bonus or penalty. To the fullest extent permitted by law, the Payor waives: (i) diligence, presentment, demand and protest, and notice of presentment, dishonour, intent to accelerate, acceleration, protest, non-payment, release, compromise, settlement, extension or renewal of this Note; and (ii) the benefit of all applicable valuation, appraisal and exemption laws.
3. Upon the commencement by or against the Payor of any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar proceeding relating to the Payor or its debts in any jurisdiction, the unpaid principal amount of this Note shall become immediately due and payable without presentment, demand, protest or notice of any kind.
4. Upon request of the Holder, the Payor shall, from time to time, execute and deliver acknowledgements of its liability and the continuing existence of the Holder’s claims against the Payor pursuant to this Note. In addition, any limitation periods under the *Limitations Act, 2002* (Ontario), as amended, applicable to this Note are excluded.
5. The Payor agrees that all amounts under this Note are payable without set-off, withholding, deduction, claim, counterclaim, defence or recoupment, all of which are hereby waived by the Payor.
6. Time is of the essence with this Note. This Note is binding upon the Payor and its successors and assigns and enures to the benefit of the Holder and his heirs, legal representatives and successors

and assigns. The Payor may assign any of its rights or obligations hereunder with the prior written consent of the Holder This Note is governed by and is to be interpreted, construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

7. The Note may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, “electronic signature” shall include electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

[Signature Page Follows]

IN WITNESS WHEREOF the Payor has executed this Note as of the date first above written.

IBERAMERICAN LITHIUM INC.

By: _____

Name: Eugene McBurney

Title: Chairman

EXHIBIT A

OPTION EXERCISE NOTICE

TO: STRATEGIC MINERALS EUROPE CORP. (the “**Optionor**”)

AND TO: STRATEGIC MINERALS SPAIN, S.L.U. (“**SMS**”)

Reference is made to that certain Option and Joint Venture Agreement (the “**Option Agreement**”) dated as of December 28, 2022, by and between the undersigned, the Optionor and SMS. Defined terms used herein shall have the meanings set forth in the Option Agreement.

Pursuant to the Option Agreement, notice is hereby given that the Optionee is exercising the Option to subscribe for 700 Lithium HoldCo shares, subject to the terms and conditions of the Option Agreement, and that the Option Closing Date shall be December 28, 2022.

DATED this 28th day of December 28, 2022.

IBERAMERICAN LITHIUM INC.

Per: _____
Name:
Title:

EXHIBIT B

RESIGNATION AND MUTUAL RELEASE

WHEREAS Strategic Minerals Euorpe Corp. (the “**Optionor**”), Strategic Minerals Spain, S.L.U. (“**SMS**”) and IberAmerican Lithium Inc. (the “**Optionee**”) entered into an option and joint venture agreement dated December 28, 2022 (the “**Option Agreement**”) related to IberAmerican Lithium Spain, S.L. (“**Lithium HoldCo**”), pursuant to which, *inter alia*, on the date hereof, the Optionee has agreed to purchase, and the Optionor has agreed to issue shares (*participaciones sociales*) in the capital of Lithium HoldCo (“**Lithium HoldCo Shares**”), representing 70% of the outstanding Lithium HoldCo Shares, in accordance with the terms and subject to the conditions therein contained;

WHEREAS the execution and delivery of this resignation and mutual release (this “**Resignation and Mutual Release**”) is a material inducement to the Optionee and the Optionor entering into the Option Agreement, without which the Optionee and the Optionor would not have agreed to enter into the Option Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

I, ● (the “**Individual**”), hereby submit my resignation as employee, director, officer and administrator of Lithium HoldCo, this resignation being effective immediately.

The Individual does hereby fully, unconditionally and irrevocably remise, release, waive and forever discharge Lithium HoldCo, together with its parent, subsidiaries and affiliates, and each of its Beneficiaries (as hereinafter defined), (collectively, the “**Individual Releasees**”), individually and collectively, from any and all actions, causes of action, liabilities, obligations, debts, dues, contracts and covenants, whether expressed or implied, claims or demands for damages, sums due, indemnity, costs, interest, loss or injury of every nature and kind whatsoever and howsoever arising, in each case whether absolute or contingent, liquidated or unliquidated, known or unknown (in each case, a “**Claim**”), which the Individual may heretofore have had, may now have, or may hereinafter have against the Individual Releasees, in each case, with respect to, based upon or arising out of any cause, fact, circumstance, matter or thing done or omitted to be done, in any way relating to or in connection with the Individual having been an employee, director, officer or administrator of Lithium HoldCo, including without limitation, for or by reason of or in any way arising out of any claim for salary, benefits, bonuses, director’s fees, expenses or other remuneration, whether authorized or provided for by by-law, resolution, contract or otherwise, occurring or arising contemporaneously with or prior to the Option Closing, but only to the extent that such cause, fact, circumstance, matter or thing does not otherwise constitute fraud; provided, however, that the Individual expressly does not release its rights and interests (a) under this Resignation and Mutual Release, the Option Agreement or any Closing Document, or (b) under any corporate indemnity existing by statute or the articles or by-laws of Lithium HoldCo provided in the Individual’s favour or for the Individual’s benefit, to the extent in effect immediately prior to the Option Closing. Effective upon the Option Closing, the Individual hereby irrevocably covenants to refrain from, directly or indirectly, asserting or assigning to any person any Claim against any Individual Releasee, based on any matter released pursuant to this paragraph of this Resignation and Mutual Release.

Lithium HoldCo, on its own behalf and on behalf of its Beneficiaries (collectively, the “**Lithium HoldCo Releasors**”), does hereby fully, unconditionally and irrevocably remise, release, waive and forever discharge the Individual and its Beneficiaries (collectively, the “**Lithium HoldCo Releasees**”), individually and collectively, from any and all Claims which the Lithium HoldCo Releasors may heretofore

have had, may now have, or may hereinafter have against the Lithium HoldCo Releasees, in each case, with respect to, based upon or arising out of any cause, fact, circumstance, matter or thing done or omitted to be done, in any way relating to or in connection with the Individual having been an employee, director, officer or administrator of Lithium HoldCo occurring or arising contemporaneously with or prior to the Option Closing, but only to the extent that such cause, fact, circumstance, matter or thing (a) does not otherwise constitute fraud; (b) does not result from the Individual's wilful misconduct, gross negligence, fraud, embezzlement, theft or misappropriation during the period of such Individual's relationship with Lithium HoldCo; or (c) is not under this Resignation and Mutual Release, the Option Agreement or any Closing Document. Effective upon the Option Closing, the Lithium HoldCo Releasors hereby irrevocably covenant to refrain from, directly or indirectly, asserting or assigning to any person any Claim against any Lithium HoldCo Releasee, based on any matter released pursuant to this paragraph of this Resignation and Mutual Release.

For the purposes hereof, shareholders, directors, officers, employees, agents and legal representatives of a Person, and each of its or their heirs, beneficiaries, executors, trustees, administrators, legal representatives, Affiliates, successors and assigns are collectively referred to as such Person's "**Beneficiaries**".

This Resignation and Mutual Release shall enure to the benefit of and shall be binding upon the Individual's and Lithium HoldCo's respective heirs, executors, administrators, legal or personal representatives, successors and assigns, as applicable.

The capitalized words and expressions used in this Resignation and Mutual Release, unless otherwise defined herein, shall have the meaning ascribed to them in the Option Agreement.

This Resignation and Mutual Release shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws applicable therein (excluding any conflict of laws rule or principle, foreign or domestic, which might refer such interpretation to the laws of another jurisdiction).

This Resignation and Mutual Release may be executed in one or more counterparts, each of which shall conclusively be deemed to be an original but all of which taken together shall be deemed to constitute one and the same agreement. An electronic transmission of this Resignation and Mutual Release bearing a signature on behalf of a party shall be legal and binding on such party.

(remainder of this page left blank intentionally)

IN WITNESS WHEREOF the parties have executed this Resignation and Mutual Release on this ____ day of _____, 20 ____.

**IBERAMERICAN LITHIUM SPAIN,
S.L.**

[Name of Individual]

Per : _____

Name :
Title :

EXHIBIT C

FORM OF TRANSFER DEED

In, on

BY AND BETWEEN

On one hand, ...

On the other hand

ACTING

..... as representative as
..... on behalf of **IBERAMERICAN LITHIUM INC.**, a corporation existing under the laws of the Province of Ontario and having a registered office at Suite 800, 365 Bay Street, Toronto, Ontario, Canada M5H 2V1. Hereinafter, in this contract, THE BUYER.

..... as representative as
..... on behalf of **STRATEGIC MINERALS EUROPE CORP.**, a corporation existing under the laws of Canada and having an office at Suite 800, 365 Bay Street, Toronto, Ontario, Canada M5H 2V1. Hereinafter THE SELLER.

Both parties assure of the current validity of their representation, that his powers have not been revoked, limited or suspended and that there has been no change in the capacity of the company he represents or its identification details.

THEY STATE

I. That THE SELLER is the owner, with full ownership, of shares, numbered from 1 to of "**IBERAMERICAN LITHIUM SPAIN, S.L.**" (hereinafter THE COMPANY) a company incorporated on the [●] before [●], notary duly registered in Madrid, under the number [●] of his archives, domiciled at [●] and CIF number [●], and registered with the [●] in volume [●], Page [●], Sheet number [●], which represent, as a whole, ...% of the total share capital.

It has capital of euros, comprising shares of euro each.

En a

REUNIDOS

De una parte, ...

Y de otra, ...

ACTÚAN

....., actúa como, en nombre y representación **IBERAMERICAN LITHIUM INC.**, una corporación existente bajo las leyes de la Provincia de Ontario y con domicilio social en Suite 800, 365 Bay Street, Toronto, Ontario, Canadá M5H 2V1. En adelante el Comprador.

....., actúa como, en nombre y representación de **STRATEGIC MINERALS EUROPE CORP.** una corporación existente bajo las leyes de Canadá y con una oficina en Suite 800, 365 Bay Street, Toronto, Ontario, Canadá M5H 2V1. En adelante el Vendedor.

Y reconociéndose recíprocamente capacidad y representación suficientes para el presente otorgamiento, declaran que sus poderes no han sido revocados, limitados o en otra forma suspendidos y que no se han producido cambios que afecten a la capacidad de las sociedades para entrar en este acuerdo.

DICEN

I.- Que EL VENDEDOR es propietario y legítimo tenedor de participaciones sociales, nº a, todas ellas inclusive, de la compañía "**IBERAMERICAN LITHIUM S.L.**", (en adelante "LA COMPAÑÍA") constituida en fecha [●] ante el Notario de Madrid [●], bajo el número [●] de su protocolo con domicilio en [●], y con CIF número [●] e inscrita en el [●], Hoja Tomo [●], Hoja [●], que representan, en conjunto, el% del total capital social.

El capital social es de euros, repartido en participaciones sociales de euro de valor cada una.

CARGAS: Libre de cargas y gravámenes según declara la parte vendedora.

ENCUMBRANCES: Free of any encumbrance, liability or condition, as declared by the transmitting party.

All shares are referred herein as THE SHARES in this agreement.

II. THE SELLER wants to sell and THE BUYER wants to purchase the shares of THE COMPANY indicated in point I above, as per the terms and conditions of this SHARE PURCHASE AGREEMENT

CLAUSES

FIRST. SALE

THE SELLER sells to THE BUYER who acquires 700 of the SHARES free of all charges and encumbrances, after compliance with the statutory requirements.

SECOND. This share purchase is binding on today's date and will also be notarized at the time any of the parties so requests.

THIRD. PRICE

The price of this transfer is fixed in the amount of EURO (€) which confesses the selling party, having received them before this act of the buyer, in whose favor confers the firmest and most effective letter of payment for the total price of the sale..

FOURTH. GUARANTEES

THE SELLER guarantees the BUYER that all obligations pointed out in this agreement will be performed and complied with and the veracity of the declarations and representations contained in the First Clause above, having to compensate the PURCHASER for any damages that might be caused by any infringement of the above.

FIFTH. THE BUYER guarantees the SELLER the complete fulfilment of the obligations of this contract, and very especially from the payment of the price.

SIXTH.- The selling party is obliged to sanitize, in case of eviction, in accordance with law and by this granting they transmit in favor of the respective buyers the ownership and possession of the shares sold.

Todas estas participaciones sociales se denominarán, de ahora en adelante, en el presente contrato, LAS PARTICIPACIONES.

II.- Que EL VENDEDOR está interesado en vender y EL COMPRADOR en comprar LAS PARTICIPACIONES de LA COMPAÑÍA indicadas en el punto I anterior, en base a los pactos y condiciones que resulten del presente contrato, y por todo ello

CLAUSULAS

PRIMERO.- DE LA COMPRAVENTA

EL VENDEDOR vende al COMPRADOR, que adquiere a título de compraventa, 700 de LAS PARTICIPACIONES, en concepto de libres de toda carga y gravamen, previo cumplimiento de los requisitos estatutarios.

SEGUNDO.- La compraventa queda perfeccionada en la fecha de hoy y se formalizará también hoy ante Notario en el momento en que cualquiera de las partes así lo solicite.

TERCERO.- DEL PRECIO

El precio de esta transmisión se fija en la cantidad de EURO (.....€) los cuales confiesa la parte vendedora, haberlos recibido antes de este acto de la compradora, a cuyo favor confiere la más firme y eficaz carta de pago por el total precio de la venta..

CUARTO.- DE LAS GARANTÍAS

EL VENDEDOR garantiza frente al COMPRADOR el estricto cumplimiento de todas las obligaciones derivadas para EL VENDEDOR del presente contrato y la veracidad de las declaraciones y manifestaciones contenidas en el artículo Primero, debiendo indemnizar al COMPRADOR de los daños y perjuicios que se causen de cualquier violación de lo expuesto.

QUINTO.- EL COMPRADOR garantiza frente al VENDEDOR el íntegro cumplimiento de las obligaciones para ella derivadas del presente contrato, y muy especialmente de la del pago del precio

SEXTO.- La parte vendedora queda obligada al saneamiento, en caso de evicción, con arreglo a derecho y por este otorgamiento transmiten en favor de los respectivos compradores el dominio y posesión de las participaciones sociales vendidas.

SÉPTIMO.- Hace constar la parte Compradora que conoce en su integridad el estado global y financiero de la

SEVENTH.- The Buyer states that it knows in its entirety the global and financial status of the company that in this act buys its social shares "IBERAMERICAN LITHIUM SPAIN, S.L."

EIGHT.- This transfer will be communicated to the administrative body of the Company so that it can be recorded in the Register of Partners

NINETH. All EXPENSES and taxes arising from the granting of this Public Deed will be borne by the selling party.

TAX REQUEST: Both parties request the application to the operation formalized by this Public Deed of the TAX EXEMPTION referred to in section 9, of article 45, 1B of Royal Decree 1/93 of September 24 by which the Consolidated Text of the Tax on Patrimonial Transmissions and Documented Legal Acts is approved in relation to article 108 of Law 24/1.988, of July 28 of the Securities Market declaring that it is not included in any of the exceptional cases of numbers 1 and 2 of the aforementioned article 108 of said provision.

TENTH. APPLICABLE LAW.

The validity, construction and effectiveness of this agreement shall be governed by the laws of Spain

ELEVENTH. - JURISDICTION. For the resolution of any doubt or difference that may arise in the interpretation or effectiveness of this contract, the parties, expressly waiving their own jurisdiction to the extent necessary, submit to the jurisdiction of the Courts and Tribunals of Madrid.

TWELFTH. - LANGUAGE.

This deed is executed in the Spanish and English languages. In the event of discrepancies between both versions, the Spanish version shall prevail.

The parties hereby certify that the English language text is a true and correct translation of the text in the Spanish language

In witness thereof, in which the assembled content are affirmed and ratified, signed this in duplicate and an effect only at the place and date indicated above.

THE SELLER

THE BUYER

compañía que en este acto compra sus participaciones sociales "IBERAMERICAN LITHIUM SPAIN, S.L."

OCTAVO.- La presente transmisión se comunicará al órgano de administración de la Sociedad para que la anote en el Libro Registro de Socios.

NOVENO. Todos los GASTOS e impuestos que se originen por el otorgamiento de esta Escritura Pública, serán por cuenta de la parte vendedora.

SOLICITUD FISCAL: Ambas partes solicitan la aplicación a la operación formalizada por esta Escritura Pública de la EXENCION FISCAL a que se refiere el apartado 9, del artículo 45, 1B del Real Decreto 1/93 de 24 de septiembre por el que se aprueba el Texto Refundido del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados en relación con el artículo 108 de Ley 24/1.988, de 28 de julio del Mercado de Valores declarando que no está comprendida en ninguno de los supuestos excepcionales de los números 1 y 2 del referido artículo 108 de dicha disposición..

DÉCIMO.- LEY APLICABLE.

La validez, construcción y eficacia de este contrato será gobernado por las leyes de España

UNDÉCIMO.- JURISDICCIÓN. Para la resolución de cualquier duda o divergencia que pudiera suscitarse en la interpretación o eficacia de este contrato, las partes, con renuncia expresa a su propio fuero en lo menester, se someten a la jurisdicción de los Juzgados y Tribunales de Madrid.

DECIMOSEGUNDA.- IDIOMA.

El presente contrato se otorga en idiomas español e inglés. En caso de que surgieran discrepancias entre ambas versiones, prevalecerá la versión española.

Las partes certifican que el texto en idioma inglés es una traducción verdadera y correcta del idioma español.

Y para que así conste, las partes suscriben el presente documento por duplicado ejemplar, y a un sólo efecto, en el lugar y fecha arriba indicados.

Fdo.: EL VENDEDOR

Fdo.: EL COMPRADOR