

## FINANCIAL CONTRIBUTION AGREEMENT

THIS AGREEMENT dated for reference February 7, 2024. BETWEEN:

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the Minister of Jobs, Economic Development and Innovation

(the "**Province**")

OF THE FIRST PART

AND:

**E-ONE MOLI ENERGY (CANADA) LIMITED**, a corporation incorporated under the laws of British Columbia (Reg. No. C0385733)

(the "**Recipient**")

OF THE SECOND PART

AND:

**E-ONE MOLI QUANTUM ENERGY (CANADA) LIMITED**, a corporation incorporated under the laws of British Columbia (Reg. No. BC1375591)

(the "**Co-Obligant**")

OF THE THIRD PART

WHEREAS:

- A. The Recipient has requested a certain contribution from the Province to assist with funding the Project;
- B. The Province has agreed to contribute an aggregate amount of not more than \$80,000,000 (eighty million dollars) for the Project; and
- C. The Province and the Recipient wish to set out the terms and conditions respecting the Province's contribution in this Agreement.

NOW THEREFORE in consideration of the premises and covenants set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties), the parties agree as follows:

## DEFINITIONS

### 1.01 In this Agreement:

"Advance" means a payment to the Recipient of part of the Financial Contribution upon approval of a Claim for the payment;

"Agreement" means this financial contribution agreement, including the schedules attached to it and forming part of it, all as may be amended, restated, replaced or supplemented from time to time;

"Business Day" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;

"Claim" means a claim for payment of any money under this Agreement in form and content and accompanied by such information and supporting documentation as may be required by the Province;

"Co-Op Term" means a four (4) month full-time position;

"Eligible Costs" means those costs of the Project described in Schedule B that are validated as such to the satisfaction of the Province by reference to supporting documentation;

"Execution Date" means the date upon which all parties have executed this Agreement;

"Event of Default" means any event of default described in section 11.01 of this Agreement;

"FAA" means the *Financial Administration Act*, R.S.B.C. 1996, c.138;

"Financial Contribution " means the funds paid or payable by the Province to the Recipient pursuant to this Agreement;

"FTE" means the equivalent to a full-time employee who would be responsible to work at least 1,800 hours for either or both of the Recipient and the Co-Obligant when calculated on an annual basis. Each equivalent to a full-time employee is calculated by dividing (a) by (b) where (a) = the aggregate of all hours worked by each employee who works for either or both of the Recipient and the Co-Obligant including hours taken by them as paid vacation, sick leave, and for other similar reasons, calculated on an annual basis, and (b) = 1,800 hours;

"FTE Rate" means the average salary per hour for an employee in BC for the calendar year [s. 21](#)

"Force Majeure Event" means an event or effect that cannot be reasonably anticipated or controlled and is not due to the negligence or willful misconduct of the affected party and includes, but is not limited to, acts of God, acts of war, acts of public enemies, terrorism, strikes, fires, explosions, pandemic, actions of the elements, floods, or other similar causes beyond the control of the parties in the

performance of the Agreement where non-performance, by exercise of reasonable diligence, cannot be prevented.

“Major Equipment” means the major equipment described in Appendix B to Schedule C;

“Produced Materials” means any and all findings, data, working papers, policies, process documents, reports, surveys, spread sheets, evaluations, analyses, documents, data, software code, databases or other compilations of data, technology, curricula and training or other materials or records, both printed and electronic, whether complete or not, that are produced, received, compiled or otherwise acquired or provided by or on behalf of either or both of the Recipient and the Co-Obligant as a direct result of this Agreement;

“Project” means the project described in Schedule A;

“Project Completion Date” means October 31, 2027;

“Project Land” means land located at 20000 Stewart Cres Maple Ridge V2X 9E7 known and described as:

Parcel Identifier: 019-180-446  
Legal Description:  
Parcel A District Lot 280 Group 1 New Westminster District  
Reference Plan LMP 22088

“Research Institution” means any non-profit, public-sector institution receiving federal or provincial funding for the purposes of research activities;

“Security” means the security described in Schedule E for, inter alia, the payment of the Financial Contribution and all other monies payable under this Agreement;

“small to medium sized business” means commercial (for-profit) businesses or enterprises, operating in British Columbia, with fewer than 500 employees. Excluded are non-profit and government organizations, schools, hospitals, subsidiaries, co-operatives, and finance and leasing companies;

“supporting documentation” means such evidence and documentation as the Province deems necessary in relation to the provisions of the Agreement and the Security including, without limitation, invoices, permits, photographs, survey reports and other information;

“Reports” means the reports provided by either or both of the Recipient and the Co-Obligant to the Province in accordance with section 5.01;

“Term of this Agreement” means the term of this Agreement described in section 2.01; and

“Termination Date” has the meaning set out in section 2.01.



“Work Phase” means the period of time from the Execution Date to and including the Project Completion Date;

- 1.02 Capitalized terms defined in the recitals to this Agreement and used in this Agreement have the definitions given in the recitals.

## **TERM**

- 2.01 The Term of this Agreement commences on the Execution Date and ends on the earlier of June 30, 2048 and the date on which this agreement is terminated in accordance with section 11.02 (the “Termination Date”).

## **FINANCIAL CONTRIBUTION**

- 3.01 The Financial Contribution consists of an aggregate amount of not more than \$80 million to be used by either or both of the Recipient and the Co-Obligant in accordance with this Agreement.
- 3.02 The Province will provide the Financial Contribution to the Recipient at the times and in the manner set out in Schedule B.
- 3.03 The Recipient and the Co-Obligant acknowledge that the Province will not provide more than \$80 million for the Project or otherwise under this Agreement and without limiting the generality of the foregoing the Recipient and the Co-Obligant confirm to the Province that they will be responsible for, and will fund without recourse to the Province, any cost overruns or shortfall of financing in relation to the Project.
- 3.04 Notwithstanding any other provision of this Agreement, the Province will have no obligation to disburse an Advance of the Financial Contribution unless at the time of the Advance
- (a) the Security has been registered in accordance with, and is subject only to the charges set out in, Schedule E, and
  - (b) no Event of Default has occurred.

## **PRIMARY COVENANTS**

- 4.01 The Recipient and the Co-Obligant must apply the Financial Contribution for the purposes of paying Eligible Costs or otherwise in accordance with the requirements set out in Schedule B.
- 4.02 Notwithstanding sections 11.02(c), 11.03 and 11.04 and without limiting any other right of the Province in law or in equity, the Province may require the Recipient to repay to the Province any amount of the Financial Contribution which the Recipient has used in contravention of section 4.01 within 30 Business Days of actual or deemed receipt by the Recipient of notice given by the Province to the Recipient requiring such repayment.
- 4.03 The Recipient must repay to the Province within 30 Business Days of the Termination Date any portion of the Financial Contribution or other amount owing



to the Province under this Agreement unless otherwise agreed in writing by the Province.

## **REPORTS**

- 5.01 The Recipient and the Co-Obligant will provide the Reports in accordance with Schedule D.
- 5.02 Neither the Recipient nor the Co-Obligant will include any information in the Reports which constitutes "personal information" within the meaning of the *Freedom of Information and Protection of Privacy Act* (British Columbia).
- 5.03 The Recipient and the Co-Obligant will provide copies of its annual public reports to the Province.

## **AUDIT AND EVALUATION**

- 6.01 The Recipient and the Co-Obligant will, at each of their own expense, maintain and preserve in British Columbia and make available for audit and examination by the Province or the Province's representatives all books, accounts and records relating to this Agreement or the Project held by the Recipient or the Co-Obligant, agents and contractors and of the information necessary to ensure compliance with the terms and conditions of this Agreement, including repayment to the Province. The Province will have the right to conduct such audits at the Province's expense as may be considered necessary.
- 6.02 Unless otherwise agreed to in writing by the Province, the Recipient and the Co-Obligant, including each of their, agents and contractors must maintain and preserve all books, accounts, invoices, receipts and records and all other documentation related to this Agreement until the end of their respective fiscal years that end seven (7) years after the fiscal year of the date on which they were created.
- 6.03 The Recipient and the Co-Obligant will, at all times, ensure that each of their agents, employees, assigns, contractors, are obligated to provide to the Province or its authorized representatives records and other information that are in possession of those agents, employees, assigns, contractors, and that relate to this Agreement or to the use of the Financial Contribution.
- 6.04 The Recipient and the Co-Obligant will each provide, upon receipt of at least two Business Days prior notice from the Province, the representatives of the Province reasonable access, at the Province's sole risk and expense, to premises to inspect and assess the progress of the Project or any element thereof and supply promptly on request such data as the Province may reasonably require for statistical or Project evaluation purposes.
- 6.05 The Recipient and the Co-Obligant will, each at their own expense, participate in the preparation of case studies reporting on the outcomes of the Project, to be completed by the Province or the Province's agents, in order to assist in the Province's preparation of an overall evaluation of the value and effectiveness of the Financial Contribution.

## INDEMNITY

- 7.01 Except for any claims arising from the gross negligence of, or wilful misconduct by, the Province's employees, officers, agents or servants, the Recipient and the Co-Obligant each agree to indemnify and save harmless the Province and its employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of its employees or agents may sustain, incur, suffer or be put to at any time which are based upon, arise out of or occur, directly or indirectly, by reason of, (a) any breach or inaccuracy of any representation or warranty made by the Recipient or the Co-Obligant in this Agreement; or (b) any material breach or failure by the Recipient or the Co-Obligant to perform or fulfil any covenant, condition, or obligation of the Recipient or the Co-Obligant contained in this Agreement; (c) any act or omission by the Recipient or the Co-Obligant or by any of their respective agents, employees, officers, directors or subcontractors in connection with this Agreement, including any act or omission that results in a third party intellectual property infringement claim against the Province; or any duty, tax, levy, assessment, countervail, or claim of any kind imposed on the Recipient arising under the terms of any trade or similar agreement applicable to the business or operations of the Recipient or the Co-Obligant including, without limitation, any transaction to which either the Recipient or the Co-Obligant is a party arising out of the business or operations of the Recipient or the Co-Obligant.
- 7.02 Notwithstanding anything to the contrary contained in this Agreement, the Province shall not be liable for any direct, indirect, special or consequential damages of the Recipient or the Co-Obligant, nor for the loss of revenues or profits arising from, based upon, occasioned by or attributable to the execution of this Agreement, regardless of whether such a liability arises in tort (including negligence), contract, fundamental breach or breach of a fundamental term, misrepresentation, breach of warranty, breach of fiduciary duty, indemnification or otherwise.

## PUBLIC STATEMENTS

- 8.01 The Recipient will not make any public statements or communications about the Financial Contribution or otherwise with respect to this Agreement or any Province involvement in the Project without the Province's prior written approval, which may be withheld by the Province at its discretion.
- 8.02 The Recipient will ensure that the Province
- (a) is provided all relevant materials in advance of any approval referenced in section 8.01;
  - (b) is given a reasonable opportunity to review such materials; and
  - (c) gives its prior approval regarding the content and timing of all such public communications.
- 8.03 Without limiting section 8.01, the Recipient will acknowledge the Financial Contribution in statements made to the public and third party beneficiaries with the following statement: *"We gratefully acknowledge the financial support of the*



*Province of British Columbia through the Ministry of Jobs, Economic Development and Innovation”.*

- 8.04 If the Recipient is required to make a public disclosure of this Agreement or of any of its material provisions in order to fulfil its reporting obligations under applicable securities or other laws, the Recipient will make reasonable efforts to advise the Province of the timing and content of such public disclosure in advance of such disclosure being made, provided that nothing in this Article 8 will be interpreted as affecting the Recipient’s obligations to comply with its reporting obligations under applicable securities or other laws.

## **INTELLECTUAL PROPERTY**

- 9.01 The Recipient will not use any logo, trademark, official mark or other branding of the Province (collectively, “Branding”) except and in accordance with the Province’s prior written approval. Any and all use by the Recipient of any Branding will be in the form provided by the Province and will comply with the graphic standards and any conditions communicated by the Province to the Recipient from time to time.
- 9.02 The Recipient exclusively owns all property and intellectual property rights, including copyright, in the Produced Materials.

## **REPRESENTATIONS AND WARRANTIES**

- 10.01 The Recipient and the Co-Obligant each represent and warrants to the Province with respect to itself and with the intent that the Province will rely on such representations and warranties in entering into this Agreement, that:
- (a) it is in good standing with the filing of its annual reports under the *Business Corporations Act* (British Columbia) and has the power and corporate capacity to accept, execute and deliver this Agreement;
  - (b) this Agreement is binding upon, and enforceable against, the Recipient and the Co-Obligant in accordance with its terms, subject only to any limitation relating to bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditors’ rights, and the discretion that a court may exercise in interpreting the enforceability of a provision or in granting of extraordinary remedies;
  - (c) all information, certificates, statements, documents and Reports furnished or submitted by the Recipient or the Co-Obligant in connection with this Agreement will be true and accurate on the date of delivery and will remain true and accurate throughout the Term;
  - (d) neither the Recipient nor the Co-Obligant is aware of any fact or circumstance which might reasonably affect the Province’s decision to provide the Financial Contribution that has not been disclosed to the Province;



- (e) the Recipient and the Co-Obligant each have or will have sufficient employees and resources in place to fulfil their respective obligations under this Agreement;
  - (f) the Recipient and the Co-Obligant will each administer the Financial Contribution for the Project in compliance with their respective covenants and obligations under this Agreement; and
  - (g) there are no actions or proceedings pending (including appeals or applications for review) or to their knowledge threatened, before any court, arbitrator, administrative agency or governmental body which, if determined against either of them, would result in a change occurring in either of their respective properties, assets, condition (financial or otherwise), business or operations which would materially adversely affect either's ability to fulfil their respective obligations under this Agreement.
- 10.02 If any representation, warranty, certificate, document or Report becomes untrue or inaccurate during the Term, the Recipient shall promptly advise the Province.
- 10.03 The provisions of sections 10.01 and 10.02 will continue in full force and effect notwithstanding the fulfillment by the Recipient of any or all of its obligations under this Agreement or the grant by the Province to the Recipient of any or all of the monies that the Province has agreed to provide to the Recipient pursuant to this Agreement.

## **DEFAULT**

- 11.01 Any of the following will constitute an Event of Default of the Recipient or the Co-Obligant under this Agreement:
- (a) the Recipient or the Co-Obligant fails to comply with a provision of this Agreement;
  - (b) any representation or warranty made by the Recipient or the Co-Obligant in this Agreement is untrue or inaccurate;
  - (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Recipient or the Co-Obligant pursuant to or as a result of this Agreement is materially untrue or inaccurate;
  - (d) a change occurs with respect to any one or more, including all, of the properties, assets, condition (financial or otherwise), business or operations of the Recipient or the Co-Obligant which, in the opinion of the Province, materially adversely affects the ability of the Recipient or the Co-Obligant to fulfil its obligations under this Agreement;
  - (e) an order is made, a resolution is passed, or a petition is filed for the liquidation or winding up of the Recipient or the Co-Obligant;

- (f) the Recipient or the Co-Obligant becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency;
- (g) the Recipient or the Co-Obligant relocates its Project operations outside of British Columbia on any date prior to the date on which the Recipient has completed its obligations under this Agreement, and
- (h) the Recipient and the Co-Obligant, or either of them

s. 21

11.02 If an Event of Default occurs the Province may, acting reasonably and at its discretion and without limitation:

- (a) terminate this Agreement by written notice from the Province to the Recipient;
- (b) if the Province believes, in its discretion, that the Event of Default is capable of being cured by the Recipient:
  - (i) by written notice to the Recipient, require that the Event of Default be remedied within a reasonable time period specified in the notice;
  - (ii) the Recipient must provide the Province with written notice of such cure by the conclusion of the reasonable time period specified in the notice and include, in particularity and in detail, reasonable detail of how the Event of Default has been cured; and
  - (iii) any failure by the Recipient to rectify such Event of Default within the time period specified in the notice to the Province's satisfaction, as determined by the Province in its discretion, acting reasonably, will be a breach of this Agreement by the Recipient;
- (c) specify an amount not to exceed the total of:
  - (i) determined as of the date of the occurrence of the Event of Default, the lesser of:
    - (A) the amount specified under section 11.03, and
    - (B) the total of all Advances of the Financial Contribution made by the Province to the Recipient,

and

  - (ii) the amount of any other money then owing by the Recipient to the Province under this Agreement

which aggregate amount will then become due and payable by the Recipient to the Province;

- (d) require the Recipient to make public the fact that an Event of Default has occurred; and
- (e) pursue any remedy or take any action available to it at law or in equity.

11.03 s. 21

11.04 Any amount payable under section 11.02(c) must be paid within 30 Business Days of actual or deemed receipt by the Recipient of notice given by the Province to the Recipient requiring payment thereof.

11.05 The Recipient acknowledges the policy objectives served by the Province's agreement to make the Financial Contribution, that the Financial Contribution comes from the public monies, and that the amount of damages sustained by the Province in an Event of Default is difficult to ascertain and therefore, that it is fair and reasonable that the Province be entitled to exercise any or all of the remedies provided for in this Agreement including an agreement as to liquidated damages and to do so in the manner provided for in this Agreement, if an Event of Default occurs.

11.06 s. 21



- 11.07 Notwithstanding anything to the contrary contained in this Agreement, the Recipient and the Co-Obligant's total aggregate liability to the Province pursuant to Section 7.01, 11.02(c) or otherwise will not exceed the actual amounts received by the Recipient and the Co-Obligant from the Province under this Agreement at the time of the final determination of amounts owing under Section 7.01, 11.02(c)(i) as applicable together with the amount, if any, owing under section 11.02(c)(ii). Further, the Province will not be entitled to double recovery for any indemnification claim or pursuant to Section 11.02(c) or otherwise.

## NOTICES

- 12.01 Any notice, document, statement, report or demand desired or required to be given or made pursuant to this Agreement must be in writing and may be delivered by courier, by personal delivery or by electronic transmission (including by facsimile or email) from either party as follows:

- (a) if to the Province:

Investment Division  
Ministry of Jobs, Economic Development and Innovation  
1810 Blanshard Street  
Victoria, British Columbia Canada, V8T 4J1  
Email: MajorInvestmentsContracts@gov.bc.ca  
Attention: Investment Performance Evaluation

- (b) and if to the Recipient:

Nelson Chang  
20000 Stewart Crescent  
Maple Ridge, British Columbia  
Canada, V2X 9E7  
Email: franks@molienergy.com  
Attention: Chairman

- (c) and if to the Co-Obligant:

Frank So  
20000 Stewart Crescent  
Maple Ridge, British Columbia  
Canada, V2X 9E7  
Email: franks@molienergy.com  
Attention: Director

A copy of any notice, document, statement, report or demand delivered to the Recipient or the Co-Obligant under this Agreement shall also be provided to the following (such copy not to constitute notice under this Agreement):

Richards Buell Sutton LLP  
Suite 700 - 401 West Georgia Street  
Vancouver, British Columbia  
Canada V6B 5A1  
Attn: Joe Chan  
Email: jchan@rbs.ca

Any such communication will be conclusively deemed validly given to and received by the intended recipient on the day on which it was so delivered or transmitted unless received after 5:00 pm (local time in the place of receipt) in which case it will be deemed to be given on the next Business Day.

- 12.02 Either party may, from time to time, give written notice to the other party of any change of address, or email address of the party giving such notice and after the giving of such notice, the address, email address therein specified will, for purposes of this Agreement be conclusively deemed to be the address or facsimile number of the party giving such notice.

#### **APPROPRIATION AND FUNDING SOURCES**

- 13.01 Notwithstanding any other provision of this Agreement, the payment of money by the Province to the Recipient pursuant to this Agreement is subject to the Province being satisfied in its sole discretion of the following:

- (a) that the Recipient has entered into an agreement for a funding/financing contribution by the federal Strategic Innovation fund in the amount of \$204.483 million;
- (b) that the Recipient has secured, to the satisfaction of the Province the following funding sources set out in Table 1:

Table 1:

<b>Funding Sources</b>	<b>(\$M CAD)</b>
Federal SIF Contribution	204.483
s. 21	
(Balance)	80.000
<b>Total Project Costs</b>	<b>1,047.961</b>

- 13.02 Notwithstanding any other provision of this Agreement, the payment of money by the Province to the Recipient pursuant to this Agreement is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the FAA, to enable the Province in any fiscal year or part thereof when any such payment may be required, to make that payment; and
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in section 13.02(a).

## **RELATIONSHIP**

- 14.01 No partnership, joint venture, agency or other legal entity will be created by or will be deemed to be created by this Agreement or any actions of the parties pursuant to this Agreement.
- 14.02 The Recipient will not be an independent contractor or employee of the Province under this Agreement.
- 14.03 The Recipient will not, in any manner whatsoever, commit or purport to commit the Province to the payment of money to any person, firm or corporation in connection with this Agreement.

## **NON-WAIVER**

- 15.01 No term or condition of this Agreement and no breach by one party of any such term or condition will be deemed to have been waived unless such waiver is in writing signed by the other party.
- 15.02 The written waiver by one party of any breach by the other party of any term or condition of this Agreement will not be deemed a waiver of such term or condition or of any subsequent breach by the other party of the same or any other term or condition of this Agreement.

## **ENTIRE AGREEMENT**

- 16.01 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement.

## **FURTHER ACTS AND ASSURANCES**

- 17.01 Each of the parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better and absolute performance of the terms and conditions of this Agreement.

## **TIME OF ESSENCE**

- 18.01 Time will be of the essence of this Agreement.

## **SURVIVAL OF PROVISIONS**

- 19.01 Sections 3.01, 3.03, 4.01, 4.02, 4.03, 5.01, 5.02, 5.03, 6.01, 6.02, 6.03, 7.01, 8.01, 8.02, 8.03, 9.01, 9.02, 10.01, 10.02, 10.03, 11.01, 11.02, 12.01, 12.02, 13.01,



14.01, 14.02, 14.03, 15.01, 15.02, 17.01, 19.01, 20.01, 20.08, 23.01, 23.02, 23.03 and any other sections of this Agreement which by their nature are intended to survive the termination of this Agreement and all of the rights and remedies of the Province, either at law or in equity, will survive any expiration or sooner termination of this Agreement.

## **INTERPRETATION**

- 20.01 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- 20.02 The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope of any provision of this Agreement.
- 20.03 Any reference to a statute in this Agreement, whether or not that statute has been defined, includes all regulations at any time made under or pursuant to that statute and amendments to that statute.
- 20.04 This Agreement will be interpreted and construed with such changes in number and gender as the context so requires.
- 20.05 If any provision in this Agreement is determined to be invalid, illegal or unenforceable, in whole or in part, it will be severable from this Agreement and the remaining provisions will not be affected and will continue in full force and effect to the extent permitted by law.
- 20.06 Any reference to the Province's "discretion" means the Province's sole, absolute and unfettered discretion, acting reasonably.
- 20.07 The terms "section" and "schedule" refer to sections and schedules within this Agreement.
- 20.08 Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province of any statutory power or duty.
- 20.09 All references to money in this Agreement are to Canadian dollars (CAD).

## **ASSIGNMENT**

- 22.01 The Recipient will not, without the prior written consent of the Province assign, either directly or indirectly, this Agreement or any right of the Recipient under this Agreement.
- 22.02 This Agreement will enure to the benefit of and be binding upon the Recipient and its successors and permitted assigns and the Province and its assigns.

## **DISPUTE RESOLUTION**

23.01 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:

- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;
- (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation; and
- (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally determined by arbitration under the *Arbitration Act* (British Columbia) and:
  - (i) the arbitration will be administered by the Vancouver International Arbitration Centre and will be conducted in accordance with its Rules of Arbitration;
  - (ii) there will be a single arbitrator;
  - (iii) British Columbia law is the applicable law; and
  - (iv) the decision of the arbitrator will be final and binding on the parties.

23.02 Unless the parties otherwise agree in writing, an arbitration or mediation under section 23.01 will be held in Victoria, British Columbia.

23.03 The parties shall bear their own costs to a mediation and/or arbitration, and must share equally the costs of the mediator in the case of a mediation or the costs of the arbitrator in the case of an arbitration under section 23.01.

## **JOINT AND SEVERAL LIABILITY**

24.01 Where any covenant, obligation, warranty or undertaking in this Agreement is expressed to be made, undertaken or given by the Recipient or the Co-Obligant, each shall be jointly and severally liable with the other in respect thereof and all liabilities of the Recipient or the Co-Obligant under this Agreement shall be construed as primary and not secondary.

## **COUNTERPARTS AND ELECTRONIC DELIVERY**

25.01 This Agreement may be entered into by each party signing a separate copy of this Agreement and delivering it to the other party. When taken together, they will be treated as one and the same agreement. Delivery of a signature page by electronic means (including by facsimile or in PDF format) will be as valid and effective as delivery of an original. A party that delivers a signature page by electronic means

agrees to provide an original signed counterpart if requested to do so by the other party.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as set out below.

SIGNED on behalf of HIS MAJESTY THE )  
KING IN RIGHT OF THE PROVINCE )  
OF BRITISH COLUMBIA by a duly )  
Authorized representative of the Minister of )  
Jobs, Economic Development and )  
Innovation )  
this 14 day of February, 2024 )



For the Minister of Jobs, Economic  
Development and Innovation

SIGNED on behalf of E-ONE MOLI )  
ENERGY (CANADA) LIMITED )  
by a duly authorized representative )  
this 7 day of February, 2024 )

per:   
Authorized Signatory



SIGNED on behalf of E-ONE MOLI )  
QUANTUM ENERGY (CANADA) LIMITED )  
by a duly authorized representative )  
this 9 day of February, 2024 )

per:  Frank So  
Authorized Signatory

Digitally signed by  
Frank So  
Date: 2024.02.09  
07:56:19 -08'00'



## **SCHEDULE A**

### **Project Description**

Phase 1: Develop and build a large-scale lithium-ion battery cell manufacturing facility, [s. 21](#)  
[s. 21](#)

Phase 2: [s. 21](#)  
[s. 21](#)

## **SCHEDULE B**

### **Advances of the Financial Contribution Conditions And Milestones**

#### **A. CONDITION 1 PHASE 1 GENERAL PROVISIONS:**

Subject to the provisions of this Schedule B, the Province will pay Advances for satisfactory completion of each milestone reached in Phase 1 of the Project, up to a cumulative maximum total of [s. 21](#)

For clarity, the Recipient is not eligible for an Advance under this condition 1 prior to the dates described in Table 2 Table 3 and Table 4. To be eligible for each milestone Advance under this condition 1, the Province must have approved a Claim submitted by the Recipient on, or after, the respective dates described in Table 2 and Table 3 and Table 4. Claims submitted by the Recipient must include supporting documentation to evidence that among other things:

[s. 21](#)











### **C. CONDITION 2 PHASE 2 COMPLETION GENERAL PROVISIONS**

The Province will pay the Recipient milestone Advances for the satisfactory completion of Project Phase 2 activities, up to a cumulative maximum total of [s. 21](#)

The Recipient is not eligible for any Advance under this condition 2 prior to the eligibility date described in Table 5. To be eligible for a milestone Advance under this condition, the Province must have received and approved a Claim submitted by the Recipient on, or after, the date described in Table 5. [s. 21](#)

[s. 21](#)





































### C. Stipulation 3 Cumulative Provincial Tax

#### Table 15

s. 21

- 1      Whereas:
  - (a)      the Recipient has stated that the Province will receive incremental direct revenues from provincial Corporation Income Tax related to operations in BC,
  - (b)      s. 21
  - (b)      the Province has relied on the aforementioned representations in entering into this Agreement.
2.      On September 30, 2041 the Recipient will pay the Province the amount set out in the second column of Table 15 that corresponds to the total corporate tax paid to the Province cumulatively between 2031 and 2040 as referred to in the first column of Table 15.
3.      The parties agree and confirm that any payment made by the Recipient under this stipulation 3 is made as a payment of liquidated damages based upon a genuine pre-estimate of the Province's losses and damages in respect of the matters to which the payment relates as more fully described in this Schedule.
4.      s. 21

#### D. Stipulation 4 Phase 2 Completion

Table 16

s. 21

1. Whereas:
  - (a) s. 21
  - (b) the timely completion of the Project is important to the Province's goals of fostering economic development in British Columbia including the generation of revenue and other tangible benefits, and
  - (c) the Province has relied on such representation in entering into this Agreement and making Advances of the Financial Contribution.
2. The Recipient will provide verifiable evidence to the Province that the Project equipment has been both successfully installed and is operational s. 21  
s. 21
3. If the Recipient has not or is otherwise unable to comply with section 2 the Recipient must by not later than s. 21 pay the Province the amount payable set out in the second column of Table 16.
4. The parties agree and confirm that any payment made by the Recipient under this stipulation 4 is made as a payment of liquidated damages based upon a genuine pre-estimate of the Province's losses and damages in respect of the matters to which the payment relates as more fully described in this Schedule.
5. For clarity, s. 21  
s. 21 If the Recipient has experienced a Force Majeure Event that caused the delay on or before s. 21 the Recipient may request the minister who is then responsible for administration of this Agreement to consider an amendment to this Agreement to set a different date for completion prior to making a claim for liquidated damages referred to in section 4.







## **SCHEDULE D**

### **Reporting Requirements**

1. At the request of the Province, the Recipient and the Co-Obligant shall host a Project launch meeting within sixty (60) days of the Execution Date to introduce the key personnel involved with the Project and to discuss this Agreement, its expected outcomes and benefits and the work plan.
2. Within thirty (30) days of the end of each calendar quarter, the Recipient and the Co-Obligant will deliver to the Province a progress report outlining current progress and next steps toward all milestones including conditions and as applicable, stipulations.
3. Such progress reports will include all of the following:
  - (a) with respect to each fiscal year of the Recipient and the Co-Obligant during the Term the latest summary of the Recipient's and the Co-Obligant R&D investments in Canada and, where available, in British Columbia,
  - (b) an assessment of progress and achievement in how the Recipient and the Co-Obligant is meeting its commitment to inclusive hiring practices and employee training and each of its measurable goals,
  - (c) the Recipient and the Co-Obligant's efforts to reduce environmental impacts, and
  - (d) an update on the major risks, issues and mitigation measures and the potential impact on the Project
  - (e) an update on any corporate-related items or similar of the Recipient or the Co-Obligant that has or could have an impact on the Project or this Agreement.
  - (f) reports on additional matters as requested by the Province.
4. Audited financial statements for the Recipient and the Co-Obligant for fiscal years 2023-2047, within four months of their respective fiscal year ends.
5. The Recipient and the Co-Obligant will deliver a final report to the Province s. 21  
s. 21
6. The Final Report will include all of the following:
  - (a) Project Completion - The Recipient and the Co-Obligant will demonstrate that the Project has been completed in accordance with Schedule A.
  - (b) Benefits - The report will summarize the benefits achieved to date, including innovation, public and economic benefits.
  - (c) Reports on additional matters as requested by the Province.

7. The Province, Recipient and the Co-Obligant will conduct a Project Management Review in the frequency and form as deemed necessary by the terms and conditions of this Agreement.

Project Management Reviews are meetings between the Recipient, Co-Obligant and the Province to review progress as documented in the progress reports and milestone submissions. Unless otherwise agreed to, a site visit will occur each year to discuss progress related to this Agreement, at a mutually agreeable time, and to review progress against each of the milestones. The Province may also request additional Project Management Reviews by telephone or in person with the Recipient and the Co-Obligant.

At least two (2) weeks prior to the date set for a Project Management Review, an agenda for the meeting will be set which will include, but not be limited to, a review of the progress of the Project including achievement of milestones, of the Project risks and mitigation plans, of any significant corporate or management changes related to the Recipient and the Co-Obligant, of the financial capability of the Recipient and the Co-Obligant to complete the Project, forecasted payments and payment risks, and potential economic benefits to B.C. in the longer term.

































## **SCHEDULE F**

### **Performance Participation Payment in relation to the Co-Obligant**

Whereas:

- A. The Recipient has provided the Province with a baseline forecast of expected operations and financial performance.
- B. **s. 21**

In consideration of the premises, mutual covenants and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. **s. 21**
- 2. The Recipient will deliver a stream of benefits to British Columbians. Recognizing the Project value depends, in part, on these benefits and, based on a review of joint modelling work undertaken by the parties, in the uncertain event that the Recipient's future performance exceeds expectations as described in this section the Recipient shall provide to the Province the benefits described in section 3.
- 3. **s. 21**



