

Eurotin Announces Update to Reverse Takeover Transaction with Li-Metal and Encourage Shareholders to Vote at June 3 Shareholder Meeting

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Toronto, May 27, 2021 - [Eurotin Inc.](#) (TSXV: LIM.H) ("Eurotin" or the "Company") is pleased to provide an update on its proposed reverse take-over transaction (the "RTO") with 2555663 Ontario Limited dba as [Li-Metal](#) ("Li-Metal"), and related financings as announced in the Company's March 24, 2021 press release. In addition, the Company wishes to encourage shareholders to vote on the matters to be considered at the Company's upcoming shareholder meeting on June 3, 2021 (the "Meeting"), and is providing some additional background to certain of the matters to be considered.

Transaction Update

In the coming weeks, Eurotin and Li-Metal intend to execute a definitive Amalgamation Agreement relating to the RTO pursuant to which Li-Metal will amalgamate with a newly created, wholly-owned subsidiary of Eurotin and in consideration for their securities of Li-Metal, at closing the security holders of Li-Metal will receive securities of Eurotin. Eurotin will also change its name to Li-Metal Corp. upon completion of this amalgamation (the "Resulting Issuer"). Amongst other things, the Amalgamation Agreement will set out the terms of the share exchange ratio pursuant to which post-Consolidation (as defined below) common shares of the Resulting Issuer will be issued to the Li-Metal shareholders. At closing, it is expected that 15 million post-consolidation common shares of the Resulting Issuer will be issued to the Li-Metal shareholders at a deemed issue price of US\$1.00 per share, excluding any common shares issuable in exchange for securities issued by Li-Metal pursuant to the Financings (as defined below). Following the Eurotin Debt Conversion (as defined below) and Consolidation, but prior to completion of the RTO, the Company expects to have 2 million common shares outstanding valued at US\$1.00 per share, based on the issuance price in the anticipated Equity Financing (as defined below).

As previously announced, in connection with the RTO, Li-Metal intends to complete two private placement financings (the "Financings") to raise approximately gross proceeds of a minimum of US\$6 million. Li-Metal has now completed the first of the financings, being a private placement of US\$3 million senior secured convertible debentures (the "Debentures"), which Debentures if converted pursuant to the RTO, will convert into Units (as defined below) at a conversion price of US\$1.00 per Unit. Li-Metal also intends to complete a private placement of US\$3-6 million of subscription receipts of Li-Metal (the "Equity Financing") at a price of US\$1.00 (or CDN\$ equivalent) per Subscription Receipt, each Subscription Receipt exchangeable for a unit (a "Unit") of the Resulting Issuer, and each Unit consisting of one common share and one warrant of the Resulting Issuer, with each warrant exercisable at a price of US\$1.50 (or CDN\$ equivalent) for a period of two years following closing and the exercise of which warrants can be accelerated by the Resulting Issuer once the common shares of the Resulting Issuer trade at or above US\$3.50 (or CDN\$ equivalent) for five consecutive business days.

Assuming the current maximum amounts are raised pursuant to the Financings, this will result in the issuance of 9 million Resulting Issuer common shares and potentially an additional 9 million Resulting Issuer common shares upon exercise of the warrants.

Meeting

At the Meeting, Eurotin shareholders will be asked to approve, amongst other things, the following in connection with the RTO: a consolidation of its outstanding common shares (the "Consolidation") and a debt conversion of approximately CDN\$1,850,000 of outstanding debt or debt expected to be owed to certain insiders and service providers (the "Eurotin Debt Settlement").

Pursuant to the Eurotin Debt Settlement, the Company intends to settle indebtedness in the aggregate amount of approximately CDN\$1,850,000 by issuing to Eurotin's creditors common shares at a deemed price

of CDN\$0.015 per pre-Consolidation share. The indebtedness includes currently outstanding indebtedness and additional indebtedness anticipated to be incurred prior to closing of the Transaction. Pursuant to the Eurotin Debt Settlement, Mark Wellings ("Wellings"), the Company's Chief Executive Officer and President, has agreed to convert approximately CDN\$1,220,000 of debt owed to him by the Company and all of the other directors of the Company have agreed to convert an aggregate of approximately CDN\$220,000 owed to them. All amounts to be converted by Wellings represent indebtedness for cash advances previously made by Wellings to the Company.

The terms of the Eurotin Debt Settlement were approved by unanimous resolution of the Board. As all members of the Board are participating in the Eurotin Debt Settlement, a special committee of the Board was not established. The Board considered the aggregate amount of the debt (CAD\$1,850,000 or US\$1,535,000) and determined that if it was paid out in cash, this would leave approximately US\$465,000 of value for the existing shareholders out of the US\$2,000,000 of value to be received by the shareholders of Eurotin pursuant to the RTO, being 23.25% of the overall value. Whereas by the debt holders agreeing to convert the debt into common shares of the Company at a price of CDN\$0.015 per pre-Consolidation common share, the existing shareholders will be entitled to receive approximately US\$927,800 of value out of the US\$2,000,000 as they will retain 46.39% of the outstanding common shares following completion of the Eurotin Debt Conversion. As this will result in an additional US\$462,800 of value to the existing shareholders, the Board determined that the terms of the Eurotin Debt Conversion were fair and in the best interest of shareholders.

The Company currently expects that the Consolidation will be completed on the basis of one post-Consolidation common share for every 115 pre-Consolidation common share. The shareholder resolution seeks approval for a Consolidation in the range of one post-Consolidation common share for every 100-125 pre-Consolidation common share. Assuming completion of the maximum Equity Financing and upon completion of the RTO the current existing common shareholders of the Company will own between 3.28% (in the case of a 1 for 125 Consolidation) and 4.11% (in the event of 1 for 100 Consolidation) of the Resulting Issuer on a non-diluted basis.

Further information

Investors are cautioned that any information released or received with respect to the RTO and Financings in this news release may not be complete and should not be relied upon.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities to be issued in connection with the RTO and Financing have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Completion of the RTO is subject to a number of conditions, including but not limited to, CSE acceptance and if applicable, disinterested shareholder approval. Where applicable, the RTO cannot close until the required shareholder approval is obtained. There can be no assurance that the RTO will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or listing statement to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Eurotin should be considered highly speculative.

The CSE or the TSXV have in no way passed upon the merits of the RTO and has neither approved nor disapproved the contents of this news release.

About Eurotin Inc.

[Eurotin Inc.](#) is a mineral exploration company with no current activities or operations

Cautionary Statements Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the proposal to complete the Proposed Transaction and associated transactions. Any such

forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the expected terms of the Proposed Transaction, the number of securities of Eurotin that may be issued in connection with the Proposed Transaction, the Financings, the Eurotin Debt Settlement, shareholder approval, Li-Metal's strategic plans and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Proposed Transaction will occur or that, if the Proposed Transaction does occur, it will be completed on the terms described above. Eurotin and Li-Metal assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law

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