UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 10, 2016

LIQUIDMETAL TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-31332**	**33-0264467**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

30452 Esperanza
Rancho Santa Margarita, California 92688
(Address of principal executive offices; Zip Code)

Registrant's telephone number, including area code: **(949) 635-2100**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☒ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

LIQUIDMETAL TECHNOLOGIES, INC.
FORM 8-K

Item 1.01. Entry into a Material Definitive Agreement.

On March 10, 2016, Liquidmetal Technologies, Inc. (the "Company") entered into a Securities Purchase Agreement (the "Purchase Agreement") with Liquidmetal Technology Limited, a Hong Kong company (the "Investor"), providing for the purchase by Investor of up to 405,000,000 shares of the Company's common stock for an aggregate purchase price of $63.4 million. Investor is a newly formed company owned by Mr. Yeung Tak Lugee Li ("Mr. Li") that was organized for purposes of making an investment in the Company pursuant to the Purchase Agreement.

In connection with the Purchase Agreement and also on March 10, 2016, the Company and DongGuan Eontec Co., Ltd., a Chinese corporation ("Eontec"), entered into a Parallel License Agreement (the "License Agreement") pursuant to which the Company and Eontec entered into a cross-license of their respective technologies. Eontec is a publicly held Chinese corporation in which Mr. Li is the Chairman and majority stockholder. Eontec is engaged in the business of precision die-casting and the research and development and manufacturing of new materials, including bulk metallic glasses.

Below is a summary of material terms of the Purchase Agreement and License Agreement.

Purchase Agreement

The Purchase Agreement provides that the Investor is obligated to purchase up to 405,000,000 shares of the Company's common stock in multiple closings, with the Investor having purchased 105,000,000 shares at an aggregate purchase price of $8.4 million (or $0.08 per share) at the initial closing on March 10, 2016. The Purchase Agreement provides that the Investor will purchase the remaining 200,000,000 shares at $0.15 per share and 100,000,000 shares at $0.25 per share for an aggregate purchase price of $55.0 million no later than ninety (90) days after the satisfaction of certain conditions, including Company stockholder approval of an amendment to the Company's Amended and Restated Certificate of Incorporation increasing the Company's authorized number of shares of common stock from 700,000,000 to 1,100,000,000 (the "Charter Amendment").

In addition to the shares issuable under the Purchase Agreement, the Company also issued to the Investor a warrant (the "Warrant") to acquire 10,066,809 shares of common stock of the Company at an exercise price of $0.07 per share. The Warrant vests in increments on each closing date under the Purchase Agreement for a number of Warrant shares that is proportionate to the amount of shares purchased under the Purchase Agreement on such closing date (with 2,609,913 Warrant shares having initially vested on March 10, 2016). The Warrant will expire on the tenth (10th) anniversary of its issuance date; provided, however, that should the subsequent closings under the Purchase Agreement not occur prior to the ninetieth (90th) day after the filing of the Charter Amendment, the Warrant will automatically terminate and the Investor shall have no further right to exercise the remaining unvested 7,456,896 warrant shares under the Warrant.

The Purchase Agreement provides that the Investor will have the right to designate one (1) individual to serve on the Company's Board of Directors, which individual will initially be Mr. Li. Once the Investor purchases the remaining 300,000,000 shares of common stock under the Purchase Agreement, the Investor will thereafter have the right to designate an additional two (2) individuals to serve on the Company's Board of Directors (such that the Investor would have designation rights with respect to three (3) of the seven (7) members of the Company's Board of Directors). The Purchase Agreement also provides that, with certain limited exceptions, if the Company issues any shares of common stock at any time through the fifth (5th) anniversary of the Purchase Agreement, the Investor will have a preemptive right to subscribe for and to purchase at the same price per share (or at market price, in the case of issuance of shares pursuant to stock options) the number of shares necessary to maintain its ownership percentage of Company-issued shares of Common Stock.

The Purchase Agreement requires the Company to use commercially reasonable efforts to obtain, on or before May 31, 2016, stockholder approval of the Charter Amendment, to file the Charter Amendment with the State of Delaware, and to reserve sufficient shares of its common stock for issuance to the Investor under the Purchase Agreement. If the Company does not obtain stockholder approval of the Charter Amendment in order to file it by May 31, 2016, the Investor will have the right to sell the 105,000,000 shares purchased at the first closing back to the Company for $0.08 per share, with such purchase price to be paid by means of a secured convertible promissory note issued by the Company in the principal amount of $8.4 million (the "Put Note"). Such note, if issued, would accrue interest at the rate of 3% per annum, would be convertible at $0.08 and be due and payable on the eighteen (18) month anniversary of its issuance. If the Put Note is issued, the Company and the Investor would enter into a security agreement which would grant a security interest to the Investor in all of the Company's assets other than its intellectual property and its equity interests in its subsidiary, Crucible Intellectual Property, LLC.

If the Investor fails to purchase the remaining 300,000,000 shares of common stock within 90 days after the filing of the Charter Amendment (assuming all other conditions to such closing have been satisfied), the Investor will forfeit certain rights, including the right to designate additional directors to the Company's Board of Directors following such failure and the right to exercise the above-described preemptive right. In such event, the Company will also have the right to repurchase all of the shares held by the Investor at a per-share price of $0.08 within 15 months following the approval and filing of the Charter Amendment.

In issuing shares under the Purchase Agreement, the Company relied upon and will rely upon the exemption from securities registration afforded by Rule 506 of Regulation D as promulgated by the SEC under the Securities Act of 1933, as amended (the "Securities Act") and/or Section 4(2) of the Securities Act.

The foregoing description of the Purchase Agreement does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the Purchase Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. A copy of the Warrant is filed with this Current Report on Form 8-K as exhibit 4.1.

License Agreement

The License Agreement provides for the cross-license of certain patents, technical information, and trademarks between the Company and Eontec. In particular, under the License Agreement, the Company granted to Eontec a paid-up, royalty-free, perpetual license (or sublicense, as the case may be) to the Company's patents and related technical information to make, have made, use, offer to sell, sell, export and import products in certain geographic areas outside of North America and Europe, and Eontec granted to the Company a paid-up, royalty-free, perpetual license (or sublicense, as the case may be) to Eontec's patents and related technical information to make, have made, use, offer to sell, sell, export and import products in certain geographic areas outside of specified countries in Asia. The license granted by the Company to Eontec is exclusive (including to the exclusion to the Company) in the countries of Brunei, Cambodia, China (P.R.C and R.O.C.), East Timor, Indonesia, Japan, Laos, Malaysia, Myanmar, North Korea, Philippines, Singapore, South Korea, Thailand. and Vietnam. The license granted by Eontec to the Company is exclusive (including to the exclusion of Eontec) in North America and Europe. The cross-licenses are non-exclusive in geographic areas outside of the foregoing exclusive territories.

The licenses granted under the License Agreement cover all fields of use and products other than consumer electronic products, watches and components thereof, certain luxury goods, and defense and munitions applications. The licenses are also limited by applicable any U.S. and China legal requirements or approval requirements.

The License Agreement will remain in effect in perpetuity but can be terminated by the parties under specified conditions. The parties may terminate the agreement upon mutual agreement, and if a party to the License Agreement commits a material breach of the agreement, the non-breaching party can terminate the License Agreement by written notice to the breaching party. If the Charter Amendment is not approved and filed by May 31, 2016, Eontec may unilaterally terminate the agreement by written notice to the Company, and if the Investor fails to purchase the remaining 300,000,000 shares under the Purchase Agreement when required to do so under the terms of the Purchase Agreement, the Company may unilaterally terminate the agreement by written notice to Eontec.

The foregoing description of the License Agreement does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the License Agreement, which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 1.02 Termination of Material Definitive Agreement.

On March 9, 2016, the Company terminated the common stock purchase agreement, dated August 20, 2014 (the "Aspire Purchase Agreement") with Aspire Capital Fund LLC, an Illinois limited liability company ("Aspire Capital"). Under the Aspire Purchase Agreement, Aspire Capital had been committed to purchase up to $30 million of common stock from the Company during the thirty-six month term of the agreement in an equity line transaction upon specified conditions. By its terms, the Aspire Purchase Agreement could be terminated by the Company at any time, at its discretion, without any penalty or cost to the Company.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 3.02 in its entirety.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Appointment of New Director

Effective as of March 10, 2016, the Company's Board of Directors expanded the size of the Board of Directors from six (6) members to seven (7) members and elected Mr. Li as a director of the Company, with Mr. Li to serve until the Company's next annual stockholder meeting or until his successor is elected and qualified. Mr. Li was elected to the Board of Directors pursuant to the terms of the Purchase Agreement.

Mr. Li, Age 56, is the founder, Chairman, and majority stockholder of DongGuan Eontec Co. Ltd., a Chinese company listed on the Shenzen Stock Exchange engaged in the production of precision die-cast products and the research and development of new materials. Mr. Li founded Eontec in 1993 and has served as Chairman since that date. At Eontec, Mr. Li is responsible for strategic development and research and development. Mr. Li is also the founder and sole shareholder of Leader Biomedical Limited, a Hong Kong company engaged in the advancement of biomaterials and surgical implants.

Mr. Li has not been named to any committees of the Board of Directors of the Company. As a non-employee director, Mr. Li will be compensated in accordance with the Company's compensation policies for non-employee directors. In addition, Mr. Li will be eligible to receive stock options and other equity-based awards under the Company's equity incentive plan. However, no such grants under the Company's equity incentive plan have been made to Mr. Li, and none are currently contemplated.

Amended and Restated Employment Agreements; Amendments to Change of Control Agreements

On March 10, 2016, the Company executed an Amended and Restated Employment Agreement (the "Restated Employment Agreement") with Thomas Steipp, the Company's President and Chief Executive Officer. The Restated Employment Agreement further amended and restated the prior agreement that had been executed on February 4, 2016 (the "Prior Agreement"). The Restated Employment Agreement provides for an employment term from its effective date through August 3, 2017, after which the employment term is renewed annually for successive one year terms, unless terminated by the Company or Mr. Steipp.

Under the Restated Employment Agreement, Mr. Steipp is entitled to certain benefits if his employment is terminated involuntarily. These benefits include payment of a lump sum amount equal to one year of his annual base salary, continued insurance benefits at the Company's expense for one year and accelerated vesting of equity awards. If the Company undergoes a "change of control" (as defined in the Restated Employment Agreement), and Mr. Steipp (i) is subsequently terminated without "cause" (as defined in the Restated Employment Agreement), or (ii) the Company subsequently takes certain actions that constitute "good reason" (as defined in the Restated Employment Agreement), and thereafter Mr. Steipp resigns, he will be entitled to a payment equal to one year of base salary, plus continued insurance benefits for two years, plus acceleration of vesting on equity awards and an extended time during which to exercise any equity awards that are stock options. A copy of the Restated Employment Agreement is filed with this Current Report on Form 8-K as exhibit 10.3.

Except as described above, the Restated Employment Agreement did not modify the terms of the Prior Agreement, which was described in the Company's Current Report on Form 8-K previously filed on February 9, 2016.

On March 10, 2016, the Company amended Change of Control Agreements with Tony Chung, the Company's Chief Financial Officer, Bruce Bromage, the Company's Executive Vice President-Business Development and Operations, Paul Hauck, the Company's Vice President of Global Sales, and certain other executive officers who are not "named executive officers" of the Company for SEC reporting purposes. As so amended, the Change of Control Agreements provide that if the executive officer's employment with the Company is terminated without cause during the one-year period after a change of control of the Company, then the terminated officer will receive a lump sum severance compensation in an amount equal to twelve months of his then-current base salary.

For both the Restated Employment Agreement and the amended Change of Control Agreements, "change of control" is defined, with certain exceptions, as a merger of the Company with a third-party, the sale of all or substantially all of the Company's assets, the acquisition by a single person or group of more than 50% of the combined voting power of the Company's outstanding securities. "Cause" is defined in the Change of Control Agreements to include fraud, embezzlement, dishonesty, material harm to the Company, or an uncured failure to adequately perform job duties, among other things. Under the amended Change of Control Agreements, the executive officers will each also be entitled to the above-described severance compensation in the event he terminates his own employment within one year after a change of control because of a salary decrease, assignment to a lower-level position or a required move of more than 25 miles.

The foregoing description of the Restated Employment Agreement and amended Change of Control Agreements does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of such agreements, which are filed as Exhibit 10.3 and 10.4, respectively, to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

The Company has issued a press release, dated March 14, 2016, relating to the Purchase Agreement, License Agreement and the transactions contemplated thereby. The press release is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

See the Exhibit Index set forth below for a list of exhibits included in this Form 8-K.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LIQUIDMETAL TECHNOLOGIES, INC.

By: /s/ Thomas Steipp
Thomas Steipp,
President and Chief Executive Officer

Date: March 14, 2016

Exhibit List

Exhibit Number	Description
4.1	Stock Purchase Warrant, dated March 10, 2016, issued to Liquidmetal Technology Limited by Liquidmetal Technologies, Inc.*
10.1	Securities Purchase Agreement, dated March 10, 2016, between Liquidmetal Technologies, Inc. and Liquidmetal Technology Limited.*
10.2	Parallel License Agreement, dated March 10, 2016, between Liquidmetal Technologies, Inc. and DongGuan Eontec Co., Ltd.*
10.3	Amended and Restated Employment Agreement, dated March 10, 2016, between the Company and Thomas Steipp.*
10.4	Form of Amendment of Change of Control Agreement.*
99.1	Press release dated March 14, 2016.*

*Filed herewith.

THIS WARRANT AND THE SHARES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. EXCEPT AS OTHERWISE SET FORTH HEREIN OR IN A SECURITIES PURCHASE AGREEMENT DATED AS OF MARCH 10, 2016 (THE "SECURITIES PURCHASE AGREEMENT"), NEITHER THIS WARRANT NOR ANY OF SUCH SHARES MAY BE SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER SAID ACT OR, AN OPINION OF COUNSEL, IN FORM, SUBSTANCE AND SCOPE, CUSTOMARY FOR OPINIONS OF COUNSEL IN COMPARABLE TRANSACTIONS, THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 OR REGULATION S UNDER SUCH ACT.

Date of Warrant:
March 10, 2016
("Warrant Date"

Right to Purchase
10,066,809 Shares of Common Stock,
par value $.001 per share

STOCK PURCHASE WARRANT

THIS CERTIFIES THAT, for value received, **LIQUIDMETAL TECHNOLOGY LIMITED, a Hong Kong corporation,** or its registered assigns, is entitled to purchase from **Liquidmetal Technologies, Inc.,** a Delaware corporation (the "Company"), at any time or from time to time during the period specified in Paragraph 2 hereof, 10,066,809 fully paid and nonassessable shares of the Company's Common Stock, par value $.001 per share (the "Common Stock"), at an exercise price per share equal to $0.07 (the "Exercise Price"). The term "Warrant Shares," as used herein, refers to the shares of Common Stock purchasable hereunder. The Warrant Shares and the Exercise Price are subject to adjustment as provided in Paragraph 4 hereof.

This Warrant is subject to the following terms, provisions, and conditions:

1. **Manner of Exercise; Issuance of Certificates; Payment for Shares.** Subject to the provisions hereof, this Warrant may be exercised by the holder hereof, in whole or in part, by the surrender of this Warrant, together with a completed exercise agreement in the form attached hereto (the "Exercise Agreement"), to the Company during normal business hours on any business day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the holder hereof), and upon payment to the Company in cash, by certified or official bank check or by wire transfer for the account of the Company of the Exercise Price for the Warrant Shares specified in the Exercise Agreement. The Warrant Shares so purchased shall be deemed to be issued to the holder hereof or such holder's designee, as the record owner of such shares, as of the close of business on the date on which this Warrant shall have been surrendered, the completed Exercise Agreement shall have been delivered, and payment shall have been made for such shares as set forth above. Certificates for the Warrant Shares so purchased, representing the aggregate number of shares specified in the Exercise Agreement, shall be delivered to the holder hereof within a reasonable time, not exceeding three (3) business days, after this Warrant shall have been so exercised. If this Warrant shall have been exercised only in part, then, unless this Warrant has expired, the Company shall, at its expense, at the time of delivery of such certificates, deliver to the holder a new Warrant representing the number of shares with respect to which this Warrant shall not then have been exercised.

This Warrant may also be exercised at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a certificate for the number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the average closing price of the Company's common stock during the ten (10) trading days immediately preceding the date of such election;

(B) = the Exercise Price of this Warrant, as adjusted pursuant to this Agreement; and

(X) = the number of Warrant Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

2. **Period of Exercise; Vesting.** Subject to the vesting set forth immediately below, This Warrant is exercisable at any time or from time to time on or after the date on which this Warrant is issued and delivered pursuant to the terms of the Securities Purchase Agreement and before 6:00 p.m., New York, New York time on the tenth (10th) anniversary of the Warrant Date (the "Exercise Period"). On the First Closing Date (as defined in the Securities Purchase Agreement), 2,609,913 shares of Common Stock shall vest and shall be exercisable at anytime. On the Second Closing Date (as defined in the Securities Purchase Agreement), 4,971,264 shares of Common Stock shall vest and shall be exercisable at anytime (the "Second Closing Warrant Shares"). On the Third Closing Date (as defined in the Securities Purchase Agreement), 2,485,632 shares of Common Stock shall vest and shall be exercisable at anytime (the "Third Closing Warrant Shares"). In the event that the Second/Third Closing is not consummated by the 90th day after the Increase (as defined in the Securities Purchase Agreement) becomes effective, then this Warrant solely with respect to the Second Closing Warrant Shares and the Third Closing Warrants Shares shall automatically terminate and thereafter be null and void.

3. **Certain Agreements of the Company.** The Company hereby covenants and agrees as follows:

(a) **Shares to be Fully Paid.** All Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be validly issued, fully paid, and nonassessable and free from all taxes, liens, and charges with respect to the issue thereof.

(b) **Reservation of Shares.** During the Exercise Period, the Company shall at all times have authorized, and reserved for the purpose of issuance upon exercise of this Warrant, a sufficient number of shares of Common Stock to provide for the exercise of this Warrant.

(c) **Successors and Assigns.** This Warrant will be binding upon any entity succeeding to the Company by merger, consolidation, or acquisition of all or substantially all the Company's assets.

4. **Antidilution Provisions.** During the Exercise Period, the Exercise Price and the number of Warrant Shares shall be subject to adjustment from time to time as provided in this Paragraph 4.

In the event that any adjustment of the Exercise Price as required herein results in a fraction of a cent, such Exercise Price shall be rounded up to the nearest cent.

(a) **Subdivision or Combination of Common Stock.** If the Company at any time subdivides (by any stock split, stock dividend, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a greater number of shares, then, after the date of record for effecting such subdivision, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced. If the Company at any time combines (by reverse stock split, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a smaller number of shares, then, after the date of record for effecting such combination, the Exercise Price in effect immediately prior to such combination will be proportionately increased.

(b) **Adjustment in Number of Shares.** Upon each adjustment of the Exercise Price pursuant to the provisions of clause (a) of this Paragraph 4, the number of shares of Common Stock issuable upon exercise of this Warrant shall be adjusted by multiplying a number equal to the Exercise Price in effect immediately prior to such adjustment by the number of shares of Common Stock issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product so obtained by the adjusted Exercise Price.

(c) **Consolidation, Merger or Sale.** In case of any consolidation of the Company with, or merger of the Company into any other corporation, or in case of any sale or conveyance of all or substantially all of the assets of the Company other than in connection with a plan of complete liquidation of the Company, then as a condition of such consolidation, merger or sale or conveyance, adequate provision will be made whereby the holder of this Warrant will have the right to acquire and receive upon exercise of this Warrant in lieu of the shares of Common Stock immediately theretofore acquirable upon the exercise of this Warrant, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for the number of shares of Common Stock immediately theretofore acquirable and receivable upon exercise of this Warrant had such consolidation, merger or sale or conveyance not taken place. In any such case, the Company will make appropriate provision to insure that the provisions of this Paragraph 4 hereof will thereafter be applicable as nearly as may be in relation to any shares of stock or securities thereafter deliverable upon the exercise of this Warrant. The Company will not effect any consolidation, merger or sale or conveyance unless prior to the consummation thereof, the successor corporation (if other than the Company) assumes by written instrument the obligations under this Paragraph 4 and the obligations to deliver to the holder of this Warrant such shares of stock, securities or assets as, in accordance with the foregoing provisions, the holder may be entitled to acquire.

(d) Price Protection. Upon the issuance of shares of Common Stock by the Company at a per share price less than the Exercise Price as then in effect, the Exercise Price shall be adjusted to equal such price per share. The adjustment set forth in the preceding sentence shall not occur upon the issuance of any (i) shares issued in any of the transactions described in Paragraph 4(a) above, (ii) shares issued upon conversion or exchange of any rights, options, warrants or convertible or exchangeable securities, which rights, options, warrants or convertible or exchangeable securities were issued prior to the date of this Warrant, (iii) any shares issued to employees, directors, officers, consultants, or independent contractors of the Company in consideration of past or future services rendered by such parties to the Company or its affiliates under a stock incentive plan approved by the Company's Board of Directors, (iv) shares issued for consideration other than cash, including without limitation shares issued in a strategic transaction or licensing transaction, or (v) shares of Stock issued as consideration for a merger or acquisition of all or substantially all of the assets of a third party.

5. Issue Tax. The issuance of certificates for Warrant Shares upon the exercise of this Warrant shall be made without charge to the holder of this Warrant or such shares for any issuance tax or other costs in respect thereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than the holder of this Warrant.

6. No Rights or Liabilities as a Shareholder. This Warrant shall not entitle the holder hereof to any voting rights or other rights as a shareholder of the Company. No provision of this Warrant, in the absence of affirmative action by the holder hereof to purchase Warrant Shares, and no mere enumeration herein of the rights or privileges of the holder hereof, shall give rise to any liability of such holder for the Exercise Price or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

7. Transfer, Exchange, and Replacement of Warrant.

(a) Restriction on Transfer. This Warrant and the rights granted to the holder hereof are transferable, in whole or in part, upon surrender of this Warrant, together with a properly executed assignment in the form attached hereto, at the office or agency of the Company, provided, however, that any transfer or assignment shall be subject to the conditions set forth in the applicable provisions of the Securities Purchase Agreement. Until due presentment for registration of transfer on the books of the Company, the Company may treat the registered holder hereof as the owner and holder hereof for all purposes, and the Company shall not be affected by any notice to the contrary.

(b) Warrant Exchangeable for Different Denominations. This Warrant is exchangeable, upon the surrender hereof by the holder hereof at the office or agency of the Company, for new Warrants of like tenor representing in the aggregate the right to purchase the number of shares of Common Stock which may be purchased hereunder, each of such new Warrants to represent the right to purchase such number of shares as shall be designated by the holder hereof at the time of such surrender.

(c) Replacement of Warrant. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of any such loss, theft, or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company, at its expense, will execute and deliver, in lieu thereof, a new Warrant of like tenor.

(d) Cancellation; Payment of Expenses. Upon the surrender of this Warrant in connection with any transfer, exchange, or replacement as provided in this Paragraph 7, this Warrant shall be promptly canceled by the Company. The Company shall pay all taxes (other than securities transfer taxes) and all other expenses (other than legal expenses, if any, incurred by the holder or transferees) and charges payable in connection with the preparation, execution, and delivery of Warrants pursuant to this Paragraph 7.

(e) Register. The Company shall maintain, at its principal executive offices (or such other office or agency of the Company as it may designate by notice to the holder hereof), a register for this Warrant, in which the Company shall record the name and address of the person in whose name this Warrant has been issued, as well as the name and address of each transferee and each prior owner of this Warrant.

(f) Exercise or Transfer Without Registration. If, at the time of the surrender of this Warrant in connection with any exercise, transfer, or exchange of this Warrant, this Warrant (or, in the case of any exercise, the Warrant Shares issuable hereunder), shall not be registered under the Securities Act of 1933, as amended (the "Securities Act") and under applicable state securities or blue sky laws, the Company may require, as a condition of allowing such exercise, transfer, or exchange, (i) that the holder or transferee of this Warrant, as the case may be, furnish to the Company a written opinion of counsel, which opinion and counsel are acceptable to the Company, to the effect that such exercise, transfer, or exchange may be made without registration under said Act and under applicable state securities or blue sky laws, (ii) that the holder or transferee execute and deliver to the Company an investment letter in form and substance acceptable to the Company and (iii) that the transferee be an "accredited investor" as defined in Rule 501(a) promulgated under the Securities Act; provided that no such opinion, letter or status as an "accredited investor" shall be required in connection with a transfer pursuant to Rule 144 under the Securities Act. The first holder of this Warrant, by taking and holding the same, represents to the Company that such holder is acquiring this Warrant for investment and not with a view to the distribution thereof. In no event shall the Holder be permitted to assign the Warrant unless provided with express written consent by the Company.

8. [Intentionally Omitted]

9. **Notices.** All notices, requests, and other communications required or permitted to be given or delivered hereunder to the holder of this Warrant shall be in writing, and shall be personally delivered, or shall be sent by certified or registered mail or by recognized overnight mail courier, postage prepaid and addressed, to such holder at the address shown for such holder on the books of the Company, or at such other address as shall have been furnished to the Company by notice from such holder. All notices, requests, and other communications required or permitted to be given or delivered hereunder to the Company shall be in writing, and shall be personally delivered, or shall be sent by certified or registered mail or by recognized overnight mail courier, postage prepaid and addressed, to the office of the Company at the address set forth in the Purchase Agreement, or at such other address as shall have been furnished to the holder of this Warrant by notice from the Company. Any such notice, request, or other communication may be sent by facsimile, but shall in such case be subsequently confirmed by a writing personally delivered or sent by certified or registered mail or by recognized overnight mail courier as provided above. All notices, requests, and other communications shall be deemed to have been given either at the time of the receipt thereof by the person entitled to receive such notice at the address of such person for purposes of this Paragraph 9, or, if mailed by registered or certified mail or with a recognized overnight mail courier upon deposit with the United States Post Office or such overnight mail courier, if postage is prepaid and the mailing is properly addressed, as the case may be.

10. **Governing Law.** THIS WARRANT SHALL BE ENFORCED, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS. THE PARTIES HERETO HEREBY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES FEDERAL COURTS LOCATED IN ORANGE COUNTY, CALIFORNIA WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS WARRANT, THE AGREEMENTS ENTERED INTO IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. BOTH PARTIES IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH SUIT OR PROCEEDING. BOTH PARTIES FURTHER AGREE THAT SERVICE OF PROCESS UPON A PARTY MAILED BY FIRST CLASS MAIL SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE PARTY IN ANY SUCH SUIT OR PROCEEDING. NOTHING HEREIN SHALL AFFECT EITHER PARTY'S RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW. BOTH PARTIES AGREE THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON SUCH JUDGMENT OR IN ANY OTHER LAWFUL MANNER. THE PARTY WHICH DOES NOT PREVAIL IN ANY DISPUTE ARISING UNDER THIS WARRANT SHALL BE RESPONSIBLE FOR ALL FEES AND EXPENSES, INCLUDING ATTORNEYS' FEES, INCURRED BY THE PREVAILING PARTY IN CONNECTION WITH SUCH DISPUTE.

11. **Miscellaneous.**

(a) **Amendments.** This Warrant and any provision hereof may only be amended by an instrument in writing signed by the Company and the holder hereof.

(b) **Descriptive Headings.** The descriptive headings of the several paragraphs of this Warrant are inserted for purposes of reference only, and shall not affect the meaning or construction of any of the provisions hereof.

(c) **Remedies**. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Warrant will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Warrant, that the holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Warrant and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer.

LIQUIDMETAL TECHNOLOGIES, INC.

By: /s/ Thomas Steipp
Name: Thomas Steipp
Title: President and CEO

Dated as of March 10, 2016

[SIGNATURE PAGE TO STOCK PURCHASE WARRANT]

FORM OF EXERCISE AGREEMENT

Dated: _____ __, 20__

To: _____

The undersigned, pursuant to the provisions set forth in the within Warrant, hereby agrees to purchase _____ shares of Common Stock covered by such Warrant.

Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States $_____; or

[ ] the cancellation of _____ Warrant Shares as is necessary, in accordance with the formula set forth in section 1, to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in section 1.

Please issue a certificate or certificates for such shares of Common Stock in the name of and pay any cash for any fractional share to:

Name: _____

Signature: _____
Address: _____

Note: The above signature should correspond exactly with the name on the face of the within Warrant, if applicable.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers all the rights of the undersigned under the within Warrant, with respect to the number of shares of Common Stock covered thereby set forth hereinbelow, to:

Name of Assignee	Address	No of Shares

, and hereby irrevocably constitutes and appoints _____ as agent and attorney-in-fact to transfer said Warrant on the books of the within-named corporation, with full power of substitution in the premises.z

Dated: _____ __, 20__

In the presence of:

_____

Name: _____

Signature: _____

Title of Signing Officer or Agent (if any):

_____

Address: _____

_____

Note: The above signature should correspond exactly with the name on the face of the within Warrant, if applicable.

Exhibit 10.1

SECURITIES PURCHASE AGREEMENT

This SECURITIES PURCHASE AGREEMENT (this "Agreement"), effective as of this 10th day of March, 2016, is made by and between **Liquidmetal Technologies, Inc.**, a Delaware corporation (the "Company"), and **Liquidmetal Technology Limited,** a Hong Kong corporation ("Investor").

BACKGROUND:

A. The Company and Investor are executing and delivering this Agreement and consummating the transactions contemplated herein in reliance upon the exemption from securities registration afforded by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act") and/or Regulation D promulgated by the United States Securities and Exchange Commission (the "SEC") thereunder.

B. The Company desires to issue and sell to Investor, and Investor desires to purchase from the Company, in separate closings, an aggregate of 405,000,000 shares (the "Offered Shares") of the Company's $0.001 par value common stock (the "Common Stock"), for an aggregate purchase price of $63,400,000.

C. Investor desires to purchase and the Company desires to issue and sell to Investor, in separate closings and upon the terms and conditions set forth in this Agreement: (i) 105,000,000 shares of the Offered Shares (the "First Closing Shares") at a purchase price of $8,400,000 (the "First Closing Purchase Price") or $0.08 per share together with a common stock purchase warrant to acquire 10,066,809 shares of common stock of the Company at an exercise price of $0.07 per share (the "First Closing Warrant"), a form of which is attached hereto as Exhibit A, (ii) 200,000,000 shares of the Offered Shares (the "Second Closing Shares") at a purchase price of $30,000,000 (the "Second Closing Purchase Price") or $0.15 per share and (iii) 100,000,000 shares of the Offered Shares (the "Third Closing Shares" and collectively with the First Closing Shares, First Closing Warrant and the Second Closing Shares, the "Securities") at a purchase price of $25,000,000 (the "Third Closing Purchase Price") or $0.25 per share.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company and Investor, intending to be legally bound, hereby agree as follows:

1. PURCHASE AND SALE OF SECURITIES.

a. Purchase of Securities.

(i) In accordance with the terms of this Agreement (and subject to the conditions precedent set forth herein), on the First Closing Date (as defined below), the Company shall issue and sell to Investor, and Investor agrees to purchase from the Company, the First Closing Shares together with the First Closing Warrant for the First Closing Purchase Price. Investor shall pay the First Closing Purchase Price by wire transfer of immediately available funds to the Company, in accordance with the Company's written wiring instructions, against delivery of the First Closing Shares and the First Closing Warrant and the Company shall deliver such First Closing Shares and First Closing Warrant against delivery of such First Closing Purchase Price. The First Closing Purchase Price will be received by the Company within seven (7) business days of the First Closing Date.

(ii) In accordance with the terms of this Agreement (and subject to the conditions precedent set forth herein), on the Second / Third Closing Date (as defined below), the Company shall issue and sell to Investor, and Investor agrees to purchase from the Company, the Second Closing Shares for the Second Closing Purchase Price. Investor shall pay the Second Closing Purchase Price by wire transfer of immediately available funds to the Company, in accordance with the Company's written wiring instructions, against delivery of the Second Closing Shares and the Company shall deliver such Second Closing Shares against delivery of such Second Closing Purchase Price. The Second Closing Purchase Price will be received by the Company within seven (7) business days of the Second / Third Closing Date.

(iii) In accordance with the terms of this Agreement (and subject to the conditions precedent set forth herein), on the Second / Third Closing Date, the Company shall issue and sell to Investor, and Investor agrees to purchase from the Company, the Third Closing Shares for the Third Closing Purchase Price. Investor shall pay the Third Closing Purchase Price by wire transfer of immediately available funds to the Company, in accordance with the Company's written wiring instructions, against delivery of the Third Closing Shares and the Company shall deliver such Third Closing Shares against delivery of such Third Closing Purchase Price. The Third Closing Purchase Price will be received by the Company within seven (7) business days of the Second / Third Closing Date.

b. Closing Dates.

(i) Subject to the satisfaction (or written waiver) of the conditions thereto set forth in Section 5(a) and Section 6(a) below, and unless this Agreement is otherwise terminated in accordance herewith, the date and time of the issuance of the First Closing Shares and the First Closing Warrant pursuant to this Agreement (the "First Closing Date") shall be on the date of this Agreement or such other mutually agreed upon time. The closing of the transactions contemplated by Section 1(a)(i) of this Agreement (the "First Closing") shall occur on the First Closing Date at the Company's offices, or such other location as may otherwise be agreed upon by the parties. At or prior to the First Closing, Investor and the Company shall execute any related agreements or other documents required to be executed and/or delivered hereunder.

(ii) Subject to the satisfaction (or written waiver) of the conditions thereto set forth in Section 5(b) and Section 6(b) below, and unless this Agreement is otherwise terminated in accordance herewith, the date and time of the issuance of the Second Closing Shares and the Third Closing Shares pursuant to this Agreement (the "Second / Third Closing Date" and together with the First Closing Date, the "Closing Dates") shall occur contemporaneously and shall be on or before the 90th day after the date on which the Increase (as defined herein) becomes effective unless waived in writing by the Company. The Increase shall be a condition precedent to the Second / Third Closing (as defined below). The closing of the transactions contemplated by Section 1(a)(ii) and 1(a)(iii) of this Agreement (the "Second / Third Closing" and together with the First Closing, the "Closings") shall occur on the Second / Third Closing Date at the Company's offices, or such other location as may otherwise be agreed upon by the parties. At or prior to the Second/Third Closing, Investor and the Company shall execute any related agreements or other documents required to be executed and/or delivered hereunder.

(iii) The issuances of the above Securities will be exempt from the registration requirements of the Securities Act of 1933, as amended (the "Act"), pursuant to an exemption provided by Section 4(2) thereunder and/or Regulation D as promulgated under the Act.

2. INVESTOR'S REPRESENTATIONS AND WARRANTIES. Investor hereby represents and warrants to the Company that:

a. Investment Purpose. Investor is purchasing the Securities for its own account and not with a present view towards public sale, distribution or transfer thereof, except pursuant to sales registered or exempted from registration under the 1933 Act; provided, however, that by making the representations herein, Investor does not agree to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with or pursuant to a registration statement or an exemption under the 1933 Act.

b. Accredited Investor Status. Investor is, and shall continue to be during all times Investor owns the Securities and at the time of the exercise of the Put Right, an "accredited investor" as that term is defined in Rule 501(a) of Regulation D promulgated under the 1933 Act (an "Accredited Investor").

c. Reliance on Exemptions. Investor understands that the Securities are being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and Investor's compliance with, the representations, warranties, agreements, acknowledgments and understandings of Investor set forth herein in order to determine the availability of such exemptions and the eligibility of Investor to acquire the Securities.

d. Information. Investor and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Securities which have been requested by Investor or its advisors. Investor and its advisors, if any, have been afforded the opportunity to ask questions of and receive answers from the Company. Neither the Company nor any person acting on its behalf has offered or sold Investor the Securities by means of any form of general solicitation or general advertising. Investor is sophisticated and has such knowledge and experience in financial and business matters that Investor is capable of evaluating the risks of its investment in the Company. Investor is able to bear the economic risks inherent in its investment in the Company. However, no inquiry nor any other due diligence investigation conducted by Investor or any of its advisors or representatives shall modify, amend or affect Investor's right to rely on the Company's representations and warranties to Investor.

e. **Governmental Review**. Investor understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Securities.

f. **Transfer or Re-sale**. Investor understands that (i) the sale or re-sale of the Securities has not been and is not being registered under the 1933 Act or any applicable state securities laws, and the Securities may not be transferred unless (A) the Securities are sold pursuant to an effective registration statement under the 1933 Act,or (B) Investor shall have delivered to the Company an opinion of counsel that shall be in form, substance and scope reasonably satisfactory to the Company and customary for opinions of counsel in comparable transactions to the effect that the Securities to be sold or transferred may be sold or transferred pursuant to an exemption from such registration; and (ii) neither the Company nor any other person is under any obligation to register such Securities under the 1933 Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder. Notwithstanding the foregoing or anything else contained herein to the contrary, the Securities may be pledged as collateral in connection with a bona fide margin account or other lending arrangement.

g. **Legends**. Investor understands that until such time as the Securities have been registered under the 1933 Act and may be sold without any restriction (including without limitation restrictions as to the number of securities as of a particular date that can then be immediately sold), the Securities may bear a restrictive legend in substantially the following form:

> "The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended. The securities may not be sold, transferred or assigned in the absence of an effective registration statement for the securities under said Act or an applicable exemption therefrom."

The Company shall issue a certificate without such legend to the holder of any Security upon which such legend is stamped, if, unless otherwise required by applicable U.S. federal or state securities laws, (i) such Security is registered for sale under an effective registration statement filed under the 1933 Act or otherwise may be sold pursuant to an exemption from registration without any restriction as to the number of securities as of a particular date that can then be immediately sold, or (ii) such holder provides the Company with an opinion of counsel, in form, substance and scope reasonably satisfactory to the Company and customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Security may be made without registration under the 1933 Act, which opinion shall be accepted by the Company so that the sale or transfer is effected. Investor agrees to sell all Securities, including those represented by a certificate from which the legend has been removed, in compliance with applicable prospectus delivery requirements, if any.

h. **Authorization; Enforcement**. Investor is a corporation duly organized, validly existing and in good standing under the laws of Hong Kong and has all requisite corporate or similar power and authority to enter into the Transaction Agreements (as defined herein) to which it will be a party and to carry out and perform its obligations under the Transaction Agreements. All company action on the part of Investor or its officers necessary for the authorization, execution, delivery and performance of such Transaction Agreements and the consummation of the transactions contemplated hereby and thereby has been taken. Assuming the Transaction Agreements constitute the legal, valid and binding agreements of the Company, each of the Transaction Agreements to which Investor is or will be a party constitute or will when executed, as applicable, constitute a legal, valid and binding obligation of Investor, enforceable against Investor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or fraudulent conveyance and similar laws relating to or affecting creditors generally or by general equity principles, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

i. **Residency**. Investor's principal executive offices are in the jurisdiction corresponding to Investor's name on Section 8(f) (Notices) of this Agreement.

j. **Financial Wherewithal**. Investor presently has and will have at each Closing all immediately available funds necessary to pay and deliver to the Company cash in the amount of the First Closing Purchase Price, the Second Closing Purchase Price and/or the Third Closing Purchase Price, as the case may be.

k. **No Violation of Laws**. Neither the Investor, nor any of its subsidiaries or affiliates, nor any director, officer, agent, employee or other person acting on behalf of Investor or any of its subsidiaries or affiliates has, in the course of his actions for, or on behalf of, Investor, violated any statute, code, law (including common law), executive order, ordinance, rule or regulation or guidance of any Governmental Authority, nor are there facts or circumstances which could form the basis for any such violations.

3. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY**. The Company represents and warrants to Investor that:

a. **Organization and Qualification**. The Company and each of its Subsidiaries (as defined below), if any, is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized, with full power and authority (corporate or otherwise) to own, lease, use and operate its properties and to carry on its business as and where now owned, leased, used, operated and conducted. Schedule 3(a) sets forth a list of all of the Subsidiaries of the Company and the jurisdiction in which each is incorporated or organized. The Company and each of its Subsidiaries is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which its ownership or use of property or the nature of the business conducted by it makes such qualification necessary, except where the failure to be so qualified or in good standing would not have a Material Adverse Effect. For purposes of this Agreement, "Material Adverse Effect" shall mean any event, circumstance, change or effect that, individually or in the aggregate, is materially adverse to the business, condition (financial or otherwise), assets, liabilities or results of operations (taken as a whole) of the Company and its Subsidiaries collectively; provided, however, that none of the following shall constitute, or shall be considered in determining whether there has occurred, and no event, circumstance, change or effect resulting from or arising out of any of the following shall constitute, a Material Adverse Effect: (A) the announcement of the execution of this Agreement or the pendency of consummation of the transactions contemplated by this Agreement (including the threatened or actual impact on relationships of the Company and its Subsidiaries with customers, vendors, suppliers, distributors, landlords or employees (including the threatened or actual termination, suspension, modification or reduction of such relationships)); (B) changes in the national or world economy or financial markets as a whole or changes in general economic conditions that affect the industries in which the Company and its Subsidiaries conduct their business, so long as such changes or conditions do not adversely affect the Company and its Subsidiaries, taken as a whole, in a materially disproportionate manner relative to other similarly situated participants in the industries or markets in which they operate; (C) any change in applicable law, rule or regulation or U.S. Generally Accepted Accounting Principles or interpretation thereof after the date hereof, so long as such changes do not adversely affect the Company and its Subsidiaries, taken as a whole, in a materially disproportionate manner relative to other similarly situated participants in the industries or markets in which they operate; (D) the failure, in and of itself, of the Company to meet any published or internally prepared estimates of revenues, earnings or other financial projections, performance measures or operating statistics; provided, however, that the facts and circumstances underlying any such failure may, except as may be provided in subsections (A), (B), (C), (E) and (F) of this definition, be considered in determining whether a Material Adverse Effect has occurred; (E) a decline in the price, or a change in the trading volume, of the Company's common stock on the OTC Markets (or other applicable trading market); and (F) compliance with the terms of, and taking any action required by, this Agreement. "Subsidiaries" means any corporation or other organization, whether incorporated or unincorporated, in which the Company owns, directly or indirectly, any equity or other ownership interest.

b. Authorization; Enforcement. The Company has all requisite corporate power to enter into this Agreement, the Secured Promissory Note (in the form attached hereto as Exhibit B) (the "Put Note"), and the Put Security Agreement (in the form attached hereto as Exhibit C) (collectively, the "Transaction Agreements"), and to carry out and perform its obligations under the terms of the Transaction Agreements. All corporate action on the part of the Company necessary for the authorization, execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated hereby and thereby has been taken as of the date hereof. Assuming this Agreement constitutes the legal, valid and binding agreement of Investor, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or fraudulent conveyance and similar laws relating to or affecting creditors generally or by general equity principles, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law) and except as rights to indemnity may be limited by applicable federal and state securities laws and principles of public policy. Upon execution by the other parties thereto, and assuming that they constitute legal, valid and binding agreements of the other parties thereto, each of the Transaction Agreements constitute a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or fraudulent conveyance and similar laws relating to or affecting creditors generally or by general equity principles, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law) and except as rights to indemnity may be limited by applicable federal and state securities laws and principles of public policy.

c. Capitalization. As of the date hereof, the authorized capital stock of the Company consists solely of 10,000,000 shares of Preferred Stock, par value $0.001 per share, none of which are issued and outstanding, and 700,000,000 shares of Common Stock, par value $0.001 per share; provided, however, that the Company shall use its best efforts to obtain, on or before May 31, 2016, such approvals of the Company's stockholders as may be required to increase the authorized shares of Common Stock to 1,100,000,000 pursuant to Section 4(g) herein. After giving effect to the issuance of the Securities as contemplated by this Agreement, the fully diluted capitalization of the Company will be as set forth on Schedule 3(c). All of such outstanding shares of capital stock are, or upon issuance will be, duly authorized, validly issued, fully paid and nonassessable. No shares of capital stock of the Company are subject to preemptive rights or any other similar rights of the shareholders of the Company or any liens or encumbrances imposed through the actions or failure to act of the Company. Except as disclosed in Schedule 3(c), as of the effective date of this Agreement, (1) there are no outstanding options, warrants, scrip, rights to subscribe for, puts, calls, rights of first refusal, agreements, understandings, claims or other commitments or rights of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, any shares of capital stock of the Company or any of its Subsidiaries, or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares of capital stock of the Company or any of its Subsidiaries, (2) there are no agreements or arrangements under which the Company or any of its Subsidiaries is obligated to register the sale of any of its or their securities under the 1933 Act and (3) there are no anti-dilution or price adjustment provisions contained in any security issued by the Company (or in any agreement providing rights to security holders) that will be triggered by the issuance of the Securities. The Company has furnished to Investor true and correct copies of the Company's Certificate of Incorporation in effect on the date hereof ("Certificate of Incorporation"), the Company's By-laws in effect on the date hereof (the "By-laws") and the material terms of all securities convertible into or exercisable for Common Stock of the Company and the material rights of the holders thereof in respect thereto.

d. **Issuance of Shares**. Subject to the Increase with respect to the Second/Third Closing Shares, the Securities are duly authorized and, when purchased, issued and delivered at the Closings in accordance herewith, will be validly issued, fully paid and non-assessable, and free from all taxes, liens, claims and encumbrances with respect to the issue thereof, other than restrictions on transfer provided under applicable state and federal securities laws, and shall not be subject to preemptive rights or other similar rights of shareholders of the Company.

e. **Acknowledgment of Dilution**. The Company understands and acknowledges the potentially dilutive effect to the Common Stock upon the issuance of the Securities.

f. **No Conflicts**. The execution, delivery and performance of the Transaction Agreements, as well as the issuance and delivery of the Securities, by the Company and the consummation by the Company of the transactions contemplated hereby and thereby will not (i) conflict with or result in a violation of any material provision of the Certificate of Incorporation or By-laws or (ii) violate or conflict with, or result in a material breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both could become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture, patent, patent license, software license or instrument to which the Company or any of its Subsidiaries is a party or (iii) to the Company's knowledge, result in a material violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations and regulations of any self-regulatory organizations to which the Company or its securities are subject) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected. Neither the Company nor any of its Subsidiaries is in material violation of its Certificate of Incorporation, By-laws or other organizational documents and neither the Company nor any of its Subsidiaries is in material default (and no event has occurred which with notice or lapse of time or both could put the Company or any of its Subsidiaries in default) under, and neither the Company nor any of its Subsidiaries has taken any action or failed to take any action that would give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party or by which any property or assets of the Company or any of its Subsidiaries is bound or affected, except where action or inaction would not have a Material Adverse Effect. The businesses of the Company and its Subsidiaries, if any, are not being conducted, and shall not be conducted so long as Investor owns any of the Securities, in violation of any material law, ordinance or regulation of any governmental entity. Except as specifically contemplated by this Agreement and as required under the 1933 Act and any applicable state securities laws, the Company is not required to obtain any material consent, authorization or order of, or make any filing or registration with, any court, governmental agency, regulatory agency, self-regulatory organization or stock market or any third party in order for it to execute, deliver or perform any of its obligations under this Agreement. All material consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to the date hereof.

g. SEC Documents; Financial Statements. Except as set forth in Schedule 3(g), the Company has timely filed all reports required to be filed by it with the SEC since March 4, 2015 pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act") (all of the foregoing filed prior to the date hereof and all exhibits included therein and financial statements and schedules thereto and documents (other than exhibits to such documents) incorporated by reference therein, being hereinafter referred to herein as the "SEC Documents"). As of their respective dates, and except as set forth in the SEC Documents, the SEC Documents complied in all material respects with the requirements of the 1933 Act, and the Sarbanes-Oxley Act of 2002, as applicable, and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents contained, at the time they were filed with the SEC, and as of the date hereof do not contain, any untrue statement of a material fact or omitted or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not materially misleading. None of the statements made in any such SEC Documents is, or has been, required to be amended or updated under applicable law (except for such statements as have been amended or updated in subsequent filings prior the date hereof). As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with United States generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may not include footnotes or may be condensed or summary statements) and fairly present the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). Except as set forth in the financial statements of the Company included in the SEC Documents, the Company has no material liabilities, contingent or otherwise, other than (1) liabilities incurred in the ordinary course of business subsequent to September 30, 2015 and (2) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in such financial statements, which, individually or in the aggregate, are not material to the financial condition or operating results of the Company.

h. Absence of Certain Changes. Since September 30, 2015, and except as set forth in Schedule 3(h), there has been no material adverse change and no material adverse development that would constitute a Material Adverse Effect.

i. Absence of Litigation. Except as set forth on Schedule 3(i) or in the SEC Documents, there is no action, suit, claim, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the Company or any of its Subsidiaries, threatened against or affecting the Company or any of its Subsidiaries or their officers or directors in their capacity as such, that could reasonably be expected to have a Material Adverse Effect. Schedule 3(i) contains a complete list and summary description of any pending proceeding or, to the knowledge of the Company, proceeding threatened in writing against or affecting the Company or any of its Subsidiaries, except where such pending or threatened proceeding would not have a Material Adverse Effect.

j. Intellectual Property.

(i) The Company and each of its Subsidiaries owns or possesses the requisite licenses or rights to use all patents, patent applications, patent rights, inventions, know-how, trade secrets, trademarks, trademark applications, service marks, service names, trade names and copyrights ("Intellectual Property") material and necessary to enable it to conduct its business as now operated and as described in the SEC Documents (and, except as set forth in Schedule 3(j) hereof, as presently contemplated to be operated in the future). There is no claim or action by any person pertaining to, or proceeding pending, or to the Company's knowledge threatened, which challenges the right of the Company or of a Subsidiary with respect to any Intellectual Property necessary to enable it to conduct its business as now operated and, on Schedule 3(j) is a list of all patents, patent applications, patent rights, inventions, know-how, trade secrets, trademarks, trademark applications, service marks, service names, trade names and copyrights, as presently contemplated to be operated in the future. The Company's or its Subsidiaries' current and intended products, services and processes do not infringe on any Intellectual Property or other rights held by any person; and the Company is unaware of any facts or circumstances that would or might reasonably be expected to give rise to any of the foregoing. The Company and each of its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of their Intellectual Property. The pending patent applications set forth on Schedule 3(j) are being diligently prosecuted by the Company and/or its Subsidiaries.

(ii) Except as set forth on Schedule 3(j), all material Intellectual Property used by the Company in the conduct of its business that is licensed by a third party for the Company's use, including, without limitation, all software licenses (the "Licensed Intellectual Property") are subject to current, written, valid licenses or sub-licenses (the "IP Licenses") to use all such Licensed Intellectual Property. Except as set forth on Schedule 3(j), (A) none of the Licensed Intellectual Property infringes or results from the misappropriation of any Intellectual Property of any third person, (B) to the knowledge of Company, no third person is infringing or misappropriating any material Licensed Intellectual Property, (C) none of the Licensed Intellectual Property is the subject of, nor, to the knowledge of Company, has there been any threat of, any current claim of infringement or misappropriation, (D) the Company has received no written, verbal or other communication from any licensor of Licensed Intellectual Property that the Company is in breach of, has violated, or is otherwise potentially subject to termination or revocation of, any IP License, (E) the Company has not committed any act or omission that constitutes or would reasonably be expected to constitute a breach or violation of any IP License and, (F) to the Company's knowledge, no licensor of any Licensed Intellectual Property has committed any act or omission that constitutes or would reasonably be expected to constitute a breach or violation of any IP License.

k. Intentionally Left Blank.

l. Tax Status. The Company and each of its Subsidiaries has made or filed all federal, state and foreign income and all other material tax returns, reports and declarations required by any jurisdiction to which it is subject (unless and only to the extent that the Company and each of its Subsidiaries has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes) and has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and the Company has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim. The Company has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, state or local tax. Except as set forth on Schedule 3(l), none of the Company's tax returns is presently being audited by any taxing authority.

m. **Certain Transactions**. Except as set forth on Schedule 3(m), and except for arm's length transactions pursuant to which the Company or any of its Subsidiaries makes payments in the ordinary course of business upon terms no less favorable than the Company or any of its Subsidiaries could obtain from third parties, none of the officers, directors, or employees of the Company is presently a party to any transaction with the Company or any of its Subsidiaries (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.

n. **Acknowledgment Regarding Investor' Purchase of Securities**. The Company acknowledges and agrees that Investor is acting solely in the capacity of an arm's length purchaser with respect to this Agreement and the transactions contemplated hereby. The Company further acknowledges that Investor is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to this Agreement and the transactions contemplated hereby and any statement made by Investor or any of its respective representatives or agents in connection with this Agreement and the transactions contemplated hereby is not advice or a recommendation and is merely incidental to the Investor's purchase of the Securities. The Company further represents to Investor that the Company's decision to enter into this Agreement has been based solely on the independent evaluation of the Company and its representatives.

o. **No Integrated Offering**. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales in any security or solicited any offers to buy any security under circumstances that would require registration under the 1933 Act of the issuance of the Securities to Investor. The issuance of the Securities to Investor will not be integrated with any other issuance of the Company's securities (past, current or future) for purposes of any shareholder approval provisions applicable to the Company or its securities.

p. **No Brokers**. The Company has taken no action which would give rise to any claim by any person for brokerage commissions, transaction fees or similar payments relating to this Agreement or the transactions contemplated hereby.

q. **Permits; Compliance**. The Company and each of its Subsidiaries is in possession of all material franchises, grants, authorizations, licenses, permits, easements, variances, exemptions, consents, certificates, approvals and orders necessary to own, lease and operate its properties and to carry on its business as it is now being conducted (collectively, the "Company Permits"), and there is no action pending or, to the knowledge of the Company, threatened regarding suspension or cancellation of any of the Company Permits. Neither the Company nor any of its Subsidiaries is in conflict with, or in material default or violation of, any of the Company Permits. Since December 31, 2013, neither the Company nor any of its Subsidiaries has received any notification with respect to possible conflicts, defaults or violations of applicable law.

r. Environmental Matters.

(i) There are, to the Company's knowledge, with respect to the Company or any of its Subsidiaries or any predecessor of the Company, no past or present violations of Environmental Laws (as defined below), releases of any material into the environment, actions, activities, circumstances, conditions, events, incidents, or contractual obligations which may give rise to any common law environmental liability or any liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or similar federal, state, local or foreign laws, and neither the Company nor any of its Subsidiaries has received any notice with respect to any of the foregoing, nor is any action pending or, to the Company's knowledge, threatened in connection with any of the foregoing. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

(ii) Other than those that are or were stored, used or disposed of in material compliance with applicable law, to the Company's knowledge, no Hazardous Materials are contained on or about any real property currently owned, leased or used by the Company or any of its Subsidiaries, and to the Company's knowledge, no Hazardous Materials were released on or about any real property previously owned, leased or used by the Company or any of its Subsidiaries during the period the property was owned, leased or used by the Company or any of its Subsidiaries.

(iii) To the Company's knowledge, there are no underground storage tanks on or under any real property owned, leased or used by the Company or any of its Subsidiaries that are not in material compliance with applicable law.

s. Title to Property. The Company and its Subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them which is material to the business of the Company and its Subsidiaries, in each case free and clear of all liens, encumbrances and defects other than Permitted Liens (as that term is defined in the Put Security Agreement). Any real property and facilities held under lease by the Company and its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as would not have a Material Adverse Effect.

t. Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect. The Company has provided to Investor true and correct copies of all current policies relating to directors' and officers' liability coverage, errors and omissions coverage and commercial general liability coverage.

u. Internal Accounting Controls. The Company and each of its Subsidiaries maintain a system of internal accounting controls sufficient, in the judgment of the Company's board of directors (the "Board of Directors"), to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

v. **Foreign Corrupt Practices**. Neither the Company, nor any of its Subsidiaries, nor any director, officer, agent, employee or other person acting on behalf of the Company or any Subsidiary has, in the course of his actions for, or on behalf of, the Company, used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

w. **No Investment Company**. The Company is not, and upon the issuance and sale of the Securities as contemplated by this Agreement will not be, an "investment company" within the meaning of, and required to be registered under, the Investment Company Act of 1940 (an "Investment Company"). The Company is not controlled by an Investment Company.

x. **No Stockholder Approval**. Except for the Increase, the Company represents and warrants that its Board of Directors has the sole authority to authorize this Agreement, the sale and issuance of the Securities and the transactions contemplated by this Agreement, and that no approval of any of the Company's stockholders is required therefor by the Delaware General Corporate Law, the Certificate of Incorporation, the By-laws, the OTC Markets (or other applicable trading market), the FINRA, the SEC, or any applicable law, rule, or regulation.

y. **Material Changes; Undisclosed Events, Liabilities or Developments**. None of the Company or its Subsidiaries has sustained, since September 30, 2015, any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree. Since September 30, 2015, (i) there has not been any change in the share capital of the Company or any Subsidiary and none of the Company or any Subsidiary has declared any dividends or other distribution of cash or property to shareholders and none the Company nor any Subsidiary has entered into any agreement to purchase, redeem or any other agreement with respect to its capital stock, including the issuance of capital stock to the officers and directors of the Company and any Subsidiary; and (ii) the Company has not incurred any liabilities (contingent or otherwise) other than trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice; and (iii) the Company has not altered its method of accounting. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Securities contemplated by this Agreement and the other transactions contemplated by this Agreement and the Business Agreements, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective businesses, prospects, properties, operations, assets or financial condition that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one trading day prior to the date that this representation is made.

z. Labor Relations. There are no private, regulatory or governmental inquiry, action, suit, proceeding, litigation, claim, arbitration or investigation pending before any Governmental Authority (as defined below) of competent jurisdiction (each, an "Action") pending or, to the knowledge of the Company, threatened involving the Company or any Subsidiary and any of their respective employees or former employees (with respect to their status as an employee or former employee, as applicable) including any harassment, discrimination, retaliatory act or similar claim. To the Company's knowledge, since December 31, 2012, there has been: (i) no labor union organizing or attempting to organize any employee of the Company or any of its Subsidiaries into one or more collective bargaining units with respect to their employment with the Company or any of its Subsidiaries; and (ii) no labor dispute, strike, work slowdown, work stoppage or lock out or other collective labor action by or with respect to any employees of the Company or any of its Subsidiaries pending with respect to their employment with the Company or any of its Subsidiaries or threatened against the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is a party to, or bound by, any collective bargaining agreement or other agreement with any labor organization applicable to the employees of the Company or any of its Subsidiaries and, to the Company's knowledge, no such agreement is currently being negotiated. The Company and its Subsidiaries (i) are in compliance in all material respects with all applicable laws respecting employment and employment practices, terms and conditions of employment, health and safety and wages and hours, including laws relating to discrimination, disability, labor relations, hours of work, payment of wages and overtime wages, pay equity, immigration, workers compensation, working conditions, employee scheduling, occupational safety and health, family and medical leave, and employee terminations, and have not received written notice, or any other form of notice, that there is any Action involving unfair labor practices against the Company or any of its Subsidiaries pending, (ii) are not liable for any material arrears of wages or any material penalty for failure to comply with any of the foregoing, and (iii) are not liable for any material payment to any trust to any Governmental Authority, with respect to unemployment compensation benefits, Taxes, social security or other benefits or obligations for employees, independent contractors or consultants (other than routine payments to be made in the ordinary course of business and consistent with past practice). Except as would not result in any material liability to the Company or any Subsidiary, there are no Actions pending or, to the knowledge of the Company, threatened against the Company or any Subsidiary brought by or on behalf of any applicant for employment, any current or former employee, any Person alleging to be a current or former employee, or any Governmental Authority, relating to any such law, or alleging breach of any express or implied contract of employment, wrongful termination of employment, or alleging any other discriminatory, wrongful or tortious conduct in connection with the employment relationship.

aa. Benefits. Neither the Company nor any Subsidiary has any material obligation to provide retirement, healthcare, death or disability benefits to any of the present or past employees of the Company or any Subsidiary or to any other Person.

bb. Subsidiaries; Joint Ventures, License Agreement. Except for the subsidiaries described in Schedule 3(bb), the Company has no subsidiaries and (i) does not otherwise own or control, directly or indirectly, any other Person and (ii) does not hold equity interests, directly or indirectly, in any other Person. Except as set forth in Schedule 3(bb) or in the SEC Documents, the Company is not a participant in any joint venture, partnership, license agreement or similar arrangement material to its business. "Person" means an individual, entity, partnership, limited liability company, corporation, association, trust, joint venture, unincorporated organization, and any government, governmental department or agency or political subdivision thereof.

cc. **Sarbanes-Oxley; Internal Accounting Controls**. The Company and the Subsidiaries are in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof and as of the applicable Closing Date. Except as otherwise disclosed in the SEC Documents, the Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and the Subsidiaries have established disclosure controls and procedures (as defined in 1934 Act Rules 13a-15(e) and 15d-15(e)) for the Company and the Subsidiaries and designed such disclosure controls and procedures to ensure that material information required to be disclosed by the Company in the reports it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company and the Subsidiaries as of the end of the period covered by the most recently filed periodic report under the 1934 Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the 1934 Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the internal control over financial reporting (as such term is defined in the 1934 Act) of the Company and its Subsidiaries that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting of the Company and its Subsidiaries. Neither the Company's Board of Directors nor its internal auditors have recommended that the Company review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any significant deficiency, material weakness, change in internal controls or fraud involving management or other employees who have a significant role in internal controls.

dd. **Solvency**. Based on the consolidated financial condition of the Company as of the applicable Closing Date, after giving effect to the receipt by the Company of the proceeds from the sale of the First Closing Shares, the fair saleable value of the Company's assets exceeds the amount that will be required to be paid on or in respect of the Company's existing debts and other liabilities (including known contingent liabilities) as they mature, (ii) the Company's assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company, consolidated and projected capital requirements and capital availability thereof and (iii) the current cash flow of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its liabilities when such amounts are required to be paid. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the applicable Closing Date. Schedule 3(bb) sets forth as of the date hereof all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. For the purposes of this Agreement, "Indebtedness" means (x) any liabilities for borrowed money or amounts owed in excess of $50,000 (other than trade accounts payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company's consolidated balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of $50,000 due under leases required to be capitalized in accordance with U.S. Generally Accepted Accounting Principles. Neither the Company nor any Subsidiary is in default with respect to any Indebtedness.

ee. **Money Laundering**. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no action, suit, investigation or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

ff. **Registration Rights**. Except as set forth on Schedule 3(ff), there are no contracts, agreements or understandings between the Company and any Person granting such Person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such Person or to require the Company to include such securities in the securities registered pursuant to a registration statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Securities Act.

gg. **Disclosure**. All information relating to or concerning the Company or any of its Subsidiaries set forth in this Agreement or in the exhibits hereto is true and correct in all material respects, and the Company has not omitted to state any material fact necessary in order to make the statements made herein or therein, in light of the circumstances under which they were made, not misleading. No event or circumstance has occurred or exists with respect to the Company or any of its Subsidiaries or its or their business, properties, prospects, operations or financial conditions, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Company prior to the date of this Agreement but which has not been so publicly announced or disclosed (assuming for this purpose that the Company's reports filed under the 1934 Act are being incorporated into an effective registration statement filed by the Company under the 1933 Act).

4. **COVENANTS**.

a. **Reasonable Efforts**. The parties shall use their reasonable efforts to satisfy timely each of the conditions described in Section 5 and 6 of this Agreement.

b. **Form D; Blue Sky Laws**. The Company agrees to file a Form D with respect to the sale of the Securities as required under Regulation D and to provide a copy thereof to Investor promptly after such filing. The Company shall, on or before the First Closing Date, take such action as the Company shall reasonably determine is necessary to qualify the Securities for sale to the Investor at the applicable closing pursuant to this Agreement under applicable securities or "blue sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to Investor on or prior to the First Closing Date.

c. **Reporting Status**. So long as Investor beneficially owns any of the Securities, the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act, and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would permit such termination. The Company shall file a Form 8-K describing the material terms of the transaction contemplated hereby as soon as practicable following the First Closing Date and Second / Third Closing Date (as applicable) but in no event more than four (4) business days after the First Closing Date or Second / Third Closing Date (as applicable), which Form 8-K shall be subject to prior review by Investor.

d. **Use of Proceeds**. The Company shall use the proceeds from the sale of the Securities materially for the purposes set forth in the budget previously delivered by the Company to Investor and shall not, directly or indirectly, use such proceeds for any loan to or investment in any other corporation, partnership, enterprise or other person (except in connection with its currently existing direct or indirect Subsidiaries).

e. **Expenses**. Each party hereto shall bear and be responsible for all expenses incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the other agreements to be executed in connection herewith ("Documents"), including, without limitation, attorneys' and consultants' fees and expenses, transfer agent fees, fees for stock quotation services, fees relating to any amendments or modifications of the Documents or any consents or waivers of provisions in the Documents, fees for the preparation of opinions of counsel, escrow fees, and costs of restructuring the transactions contemplated by the Documents; provided, however, that upon the First Closing, the Company shall be required to pay Investor's legal fees in the amount of up to $75,000 which shall be paid out of the proceeds paid as part of the First Closing.

f. **Financial Information**. The Company agrees to send the following reports to Investor until Investor transfers, assigns, or sells all of the Securities, but only to the extent that such reports are not otherwise publicly filed with the SEC: (i) within ten (10) days after the filing with the SEC, a copy of its Annual Report on Form 10-K (or other appropriate form), its Quarterly Reports on Form 10-Q (or other appropriate form) and any Current Reports on Form 8-K; (ii) within one (1) day after release, copies of all press releases issued by the Company or any of its Subsidiaries; and (iii) contemporaneously with the making available or giving to the shareholders of the Company, copies of any notices or other information the Company makes available or gives to such shareholders.

g. **Authorization; Reservation of Shares; Stockholder Approval**. The Company shall use commercially reasonable efforts to obtain, on or before May 31, 2016, such approvals of the Company's stockholders (the "Stockholder Approval") as may be required to increase the authorized shares of Common Stock to 1,100,000,000 (the "Increase"). Investor hereby agrees to vote in favor of the Increase. The Company represents and warrants that its Board of Directors has approved the proposal contemplated by this Section 4(g) and shall indicate such approval in the proxy or information statement used in connection with the Stockholder Approval. Upon obtaining Stockholder Approval, the Company shall make all appropriate filings with the State of Delaware including the filing of a Certificate of Amendment to the Certificate of Incorporation no later than May 31, 2016. Upon obtaining the Increase, the Company shall reserve a sufficient number of shares to cover the issuance of the Second Closing Shares and the Third Closing Shares (the "Reserved Amount"). If at any time the number of shares of Common Stock authorized and reserved for issuance ("Authorized and Reserved Shares") is below the Reserved Amount, the Company will promptly take all corporate action necessary to authorize and reserve a sufficient number of shares, including, without limitation, calling a special meeting of shareholders to authorize additional shares to meet the Company's obligations under this Section 4(g), in the case of an insufficient number of authorized shares, obtain shareholder approval of an increase in such authorized number of shares, and voting the management shares of the Company in favor of an increase in the authorized shares of the Company to ensure that the number of authorized shares is sufficient to meet the Reserved Amount.

h. **Corporate Existence**. So long as Investor beneficially owns any Common Stock or the Put Note, the Company shall maintain its corporate existence.

i. **No Integration**. The Company shall not make any offers or sales of any security (other than the Securities) under circumstances that would require registration of the Securities being offered or sold hereunder under the 1933 Act or cause the offering of the Securities to be integrated with any other offering of securities by the Company for the purpose of any stockholder approval provision applicable to the Company or its securities.

j. Additional Issuances.

(1) At any time after the date hereof and through the fifth (5^{th}) anniversary of the date hereof, if the Company shall issue or propose to issue any additional shares of the Company's Common Stock other than Excluded Securities (the "Additional Securities"), Investor shall have the right to subscribe for and to purchase at the same price per share that number of Additional Securities necessary to maintain the Ownership Percentage (as defined herein below) in the Company on the date that a Subscription Notice (as defined below) is delivered to Investor hereunder. Any offer of Additional Securities made to Investor under this Section 4 (j) shall be made by notice in writing (the "Subscription Notice") at least 20 business days prior to the issuance of such Additional Securities. The Subscription Notice shall set forth (i) the number of Additional Securities proposed to be issued to any Person other than Investor and the terms of such Additional Securities, (ii) the consideration (or manner of determining the consideration), if any, for which such Additional Securities are proposed to be issued and the terms of payment, (iii) the number of Additional Securities offered to Investor in compliance with the provisions of this Section 4 (j) and (iv) the proposed date of issuance of such Additional Securities. Not later than 10 Business Days after delivery of a Subscription Notice in accordance with the notice provisions hereof, Investor shall deliver a notification to the Company in writing whether it elects to purchase all or any portion of the Additional Securities offered to Investor, pursuant to the Subscription Notice; provided however, that the failure of Investor to respond in writing within 10 Business Days shall be deemed a waiver and negative election by Investor to purchase any of the Additional Securities offered by such Subscription Notice. If the terms of the Additional Securities shall change after the Subscription Notice has been sent, then the Company will provide the Investor with a new Subscription Notice. If Investor elects to purchase any such Additional Securities, the Additional Securities that it shall have elected to purchase shall be issued and sold to Investor by the Company at the same time and on the same terms and conditions as the Additional Securities are issued and sold to third parties. If, for any reason, the issuance of Additional Securities to third parties is not consummated, Investor's right to its share of such issuance shall lapse, subject to Investor's ongoing subscription right with respect to issuances of Additional Securities at later dates or times. The term "Excluded Securities" means (i) shares issued upon conversion or exchange of any rights, options, warrants or convertible or exchangeable securities, which rights, options, warrants or convertible or exchangeable securities were issued prior to the date of this Agreement, and (ii) any shares (other than shares issued pursuant to preceding clause (i)) issued to employees, directors, officers, consultants, or independent contractors of the Company in consideration of past or future services rendered by such parties to the Company or its affiliates under a stock incentive plan approved by the Company's Board of Directors ("Equity Plan Shares"). In the event that any Equity Plan Shares are issued during any fiscal quarter, Investor shall have the right to purchase from the Company, on the first business day of the immediately succeeding fiscal quarter (the "Purchase Date"), a number of shares of Common Stock equal to the number of shares necessary to maintain the Ownership Percentage (as in effect at the beginning of the first day of such fiscal quarter) for a price per share equal to the average of the volume-weighted average prices of the Company's Common Stock during the ten (10) trading days immediately preceding the Purchase Date.

(2) The Company represents and covenants to Investor that (i) upon issuance, all the shares of Additional Securities sold to Investor pursuant to this Section 4 (j) shall be duly authorized, validly issued, fully paid and nonassessable and will be approved (if outstanding securities of the Company of the same type are at the time already approved) for listing on the OTC Markets or for quotation or listing on the principal trading market for the securities of the Company at the time of issuance, (ii) upon delivery of such shares, they shall be free and clear of all liens, claims and encumbrances (other than any restrictions imposed by applicable federal, state and foreign securities laws (including, without limitations, the laws of the United States) of any nature and shall not be subject to any preemptive right of any stockholder of the Company and (iii) this Section 4 (j) does not and upon the issuance of such Additional Securities will not (a) violate or conflict with any provision of the Certificate of Incorporation or Bylaws of the Company, each as amended then to date (b) conflict with or constitute a violation by the Company of any applicable law (including the General Corporation Law of Delaware), judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority applicable to the Company the enforcement of which would have a material adverse effect on the Company or on the Company's ability to perform its obligations hereunder or the ability of the Company to consummate issuance of the Additional Securities and (c) either alone or with the giving of notice or the passage of time, or both, modify, violate, conflict with, constitute grounds for termination of, or accelerate the performance required by, or result in a breach or default of the terms, conditions or provisions of, or constitute a default under any contract, agreement, note bond, mortgage, indenture, deed of trust, license, franchise, permit, commitment, waiver, exemption, order, obligation, lease, sublease, undertaking, agreement, offer or other instrument, which violation, conflict, termination, acceleration, breach or default would have a material adverse effect on the Company or on the ability of the Company to perform its obligations hereunder or the ability of the Company to issue such shares.

(3) As used herein, the term "Ownership Percentage" shall mean, as of any specified date, the percentage obtained by dividing (i) number of Company-Issued Shares held by Investor on the specified date, by (ii) the number of outstanding shares of Common Stock of the Company on such date. "Company-Issued Shares" means shares of Common Stock purchased by Investor pursuant to this Agreement, including pursuant to the First Closing Warrant or pursuant to this Section 4(j). The Ownership Percentage shall be calculated as of each Subscription Notice.

k. Board of Directors; Appointments. (i) Effective as of the First Closing Date and continuing for a period of five (5) years (or on such earlier date on which Investor and its affiliates cease to own at least 25% of the shares of Common Stock purchased pursuant to this Agreement), Investor shall have the right to nominate for election one (1) director and the Board of Directors shall support such nomination. On the First Closing Date, the Board of Directors shall approve the appointments of Lugee Li to the Board of Directors. (ii) Upon the Second / Third Closing Date, the Board of Directors shall approve the appointment of two directors selected by the Investor. For a period of five (5) years after the Second/Third Closing Date, (a) Investor shall have the right to nominate for election an additional two (2) directors and the Board of Directors shall support such nominations, (b) one such nominee shall serve as the Chairman of the Board, and (c) at all times during this period, the Board of Directors shall consist of seven (7) directors in total of which three (3) shall be nominated by Investor unless otherwise agreed to in writing by the Investor.

l. Put Note. If shareholder approval for the Increase is not obtained by May 31, 2016, then the Investor will have the right to put the First Closing Shares to the Company (the "Put Right") in exchange for the Put Note. If the Investor desires to exercise the Put Right, it must deliver written notice of exercise to the Company on or before October 31, 2016. Within five (5) business days of the exercise of the Put Right, the Company shall deliver a fully-executed Put Note and Security Agreement, a copy of which is attached hereto as Exhibit C, to the Investor.

m. Second / Third Closing Failure. In the event the Investor fails to complete both the Second Closing and the Third Closing by the 90th day after the Increase becomes effective (unless such failure is a result of a material failure of a condition set forth in Section 6(b) hereof), then the rights set forth in Sections 4(k)(ii) and 4(j) hereof shall immediately and automatically terminate. Further, in the event the Investor exercises the Put Right, upon the outstanding amounts payable under the Put Note being reduced to less than $2,500,000, then the Investor shall cease to have the rights referenced in Section 4(k). In addition, in the event the Second / Third Closing is not consummated by the 90th day after the Increase becomes effective (provided that such failure is not a result of a breach by the Company of this Agreement), the Company will thereupon have the right to repurchase all or any portion of the First Closing Shares at $0.08 per share (subject to adjustment for stock splits, reverse stock splits, and the like occurring after the date of this Agreement) within 15 months following the effective date of the Increase.

n. **Disclosure Supplements**. Between the date of this Agreement and the Closing Dates, the Company will promptly notify Investor in writing (each, a "Disclosure Supplement") if the Company becomes aware of any fact or condition that causes or constitutes a breach of any of the Company's representations and warranties as of the date of this Agreement, or if the Company becomes aware of the occurrence after the date of this Agreement of any fact or condition that would (except as expressly contemplated by this Agreement) cause or constitute a breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition; provided, however, that no such notice shall be deemed to be a modification of any representation or warranty. During the same period, the Company will promptly notify Investor of the occurrence of any breach of any covenant of the Company in this Section 4 or of the occurrence of any event that may make the satisfaction of the conditions in Section 6 impossible or unlikely.

o. **Investor Filings**. Upon the First Closing and at all times thereafter, Investor will timely make any filings required by the SEC, including without limitation a Schedule 13D.

p. **No Short Position**. During the period commencing on the date hereof and ending on the date on which Investor and its affiliates cease to own of the Securities purchased hereunder, Investor covenants that it will not, and will cause its affiliates not to, maintain a Net Short Position. For purposes hereof, a "Net Short Position" by a person means a position whereby such person has executed one or more sales of Common Stock that is marked as a "short sale" (as defined in Rule 200 of Regulation SHO under the 1934 Act) and that is executed at a time when Investor has no equivalent offsetting "long" (as determined in accordance with Rule 200 of Regulation SHO under the 1934 Act) position in the Common Stock or contract for the foregoing.

q. **Unanimous Board Approval.** For a period of two (2) years following the Closing Date, the Company will not without the unanimous approval of the Board of Directors, enter into or amend an employment agreement with any executive officer, issue any convertible or derivative security except Excluded Securities or amend or alter the Company's certificate of incorporation except with respect to the Increase.

5. **CONDITIONS TO THE COMPANY'S OBLIGATION TO ISSUE**.

a. The obligation of the Company hereunder to issue and sell the First Closing Shares at the First Closing is subject to the satisfaction, at or before the First Closing Date of each of the following conditions thereto, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion:

(i) Investor shall have executed and delivered this Agreement and delivered the same to the Company.

(ii) Investor shall have delivered the First Closing Purchase Price in accordance with Section 1(a)(i) above.

(iii) The representations and warranties of Investor shall be true and correct in all material respects as of the date when made and as of the First Closing Date as though made at that time (except for representations and warranties that speak as of a specific date), and Investor shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by Investor at or prior to the First Closing Date.

(iv) No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

b. The obligation of the Company hereunder to issue and sell the Second/Third Closing Shares is subject to the satisfaction, at or before the Second/Third Closing Date of each of the following conditions thereto, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion:

(i) Investor shall have executed this Agreement and delivered the same to the Company.

(ii) Investor shall have delivered both the Second Closing Purchase Price and the Third Closing Purchase Price in a single closing in accordance with Section 1(a)(ii) and Section 1(a)(iii) above on or before the ninetieth (90^{th}) day after the Increase becomes effective.

(iii) The representations and warranties of Investor shall be true and correct in all material respects as of the date when made and as of the Second Closing Date as though made at that time (except for representations and warranties that speak as of a specific date), and Investor shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by Investor at or prior to the Second Closing Date.

(iv) No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

6. CONDITIONS TO INVESTOR'S OBLIGATION TO PURCHASE.

a. The obligation of Investor hereunder to purchase the First Closing Shares and the First Closing Warrant at the First Closing is subject to the satisfaction, at or before the First Closing Date of each of the following conditions, provided that these conditions are for such Investor's sole benefit and may be waived by Investor at any time in its sole discretion:

(i) The Company shall have executed and delivered this Agreement and the First Closing Warrant and delivered the same to Investor.

(ii) The Company shall have delivered to Investor the First Closing Shares (in such denominations as Investor shall request).

(iii) The representations and warranties of the Company shall be true and correct in all material respects as of the date when made (without giving effect to any Disclosure Supplement) and as of the First Closing Date as though made at such time (except for representations and warranties that speak as of a specific date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the First Closing Date. Investor shall have received a certificate or certificates, executed by the chief executive officer and the chief financial officer of the Company, dated as of the First Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by Investor including, but not limited to certificates with respect to the Company's Certificate of Incorporation, By-laws and the Company's Board of Directors' resolutions relating to the transactions contemplated hereby (the "Board Resolutions").

(iv) The Board Resolutions shall, among other customary resolutions, reflect the resolution of the Company's Board of Directors to (A) approve the Transaction Agreements, (B) approve the issuance of the Securities (C) appoint Lugee Li to the Board of Directors and (D) call for the Company's Annual Meeting of the Company's stockholders to be held no later than May 31, 2016 (in accordance with the Company's By-Laws), which Annual Meeting shall include actions by the Company's stockholders to (1) elect the Company's directors including the Investor's nominee; (2) approve the Increase; and (2) amend the Company's Certificate of Incorporation to effectuate the Increase.

(v) No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

(vi) No event shall have occurred which could reasonably be expected to have a Material Adverse Effect on the Company.

(vii) The Company shall have caused its legal counsel, Foley & Lardner LLP, to deliver a legal opinion addressed to the Investor with respect to the corporate and securities matters set forth on Exhibit D attached hereto, and its intellectual property counsel, Pillsbury Winthrop Shaw Pittman LLP, to deliver legal opinions addressed to the Investor with respect to the intellectual property matters set forth on Exhibit E attached hereto.

(viii) Investor shall have received (i) copies of resolutions of the Board of Directors of the Company duly certified by an authorized officer of the Company as set forth in Section 6(a)(iv); (ii) a certificate of good standing certified for the Company and each of the Subsidiaries dated no more than three (3) days prior to the date of the First Closing; and (iii) the officer's certificate described in Section 6(a)(iii) above, dated as of the Closing Date.

(ix) DongGuan Eontec Co., Ltd. and the Company shall have entered into that certain Parallel License Agreement (the "Business Agreement").

b. The obligation of Investor hereunder to purchase the Second Closing Shares and the Third Closing Shares at the Second / Third Closing is subject to the satisfaction, at or before the Second / Third Closing Date of each of the following conditions, provided that these conditions are for such Investor's sole benefit and may be waived by Investor at any time in its sole discretion:

(i) The Company shall have executed and delivered this Agreement and delivered the same to Investor.

(ii) The Company shall have paid or reimbursed Investor for legal expenses out of the proceeds of the First Closing in the amount of $75,000.

(iii) The Company shall have delivered to Investor the Second Closing Shares and the Third Closing Shares (in such denominations as Investor shall request).

(iv) The Board Resolutions and the annual meeting of the Company's stockholders referenced in Section 6(a)(iv) shall have occurred, and the actions to be approved, confirmed and ratified at such meetings in accordance with Section 6(a)(iv) shall have been approved, confirmed and ratified by the Company's Board and by its stockholders.

(v) The representations and warranties of the Company shall be true and correct in all material respects as of the date when made (without giving effect to any Disclosure Supplement) and as of the Second / Third Closing Date as though made at such time (except for representations and warranties that speak as of a specific date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Second / Third Closing Date. Investor shall have received a certificate or certificates, executed by the chief executive officer of the Company, dated as of the Second / Third Closing Date, to the foregoing effect and as to the Company's Certificate of Incorporation, By-laws and the Board Resolutions.

(vi) No litigation, statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by or in any court or governmental authority of competent jurisdiction or any self-regulatory organization having authority over the matters contemplated hereby which prohibits the consummation of any of the transactions contemplated by this Agreement.

(ix) DongGuan Eontec Co., Ltd. and the Company shall have entered into the Business Agreement which will remain in full force and effect (unless terminated by DongGuan Eontec Co., Ltd. without cause as defined in such agreement or terminated by the Company for cause as defined in such agreement).

(x) Investor shall have received (i) a certificate of good standing for the Company and each of the Subsidiaries dated no more than three (3) days prior to the Second / Third Closing Date; and (iii) the officer's certificate described in Section 6(a)(iii) above, dated as of the Closing Date.

7. <u>TERMINATION</u>.

a. This Agreement may, by notice given prior to or at either the First Closing or the Second / Third Closing, be terminated:

(i) by Investor or the Company if a material breach of any provision of this Agreement has been committed by the other party and such breach has not been waived or cured within ten (10) days after written notice thereof;

(ii) by (A) Investor if any of the conditions in Section 6 has not been satisfied as of the First Closing Date or Second / Third Closing Date (as applicable) or if satisfaction of such a condition is or becomes impossible (other than through the failure of Investor to comply with its obligations under this Agreement) and Investor has not waived such condition on or before the applicable Closing Date; or (B) the Company, if any of the conditions in Section 5 has not been satisfied as of the First Closing Date or Second / Third Closing Date (as applicable) or if satisfaction of such a condition is or becomes impossible (other than through the failure of the Company to comply with its obligations under this Agreement) and the Company has not waived such condition on or before the applicable Closing Date; or

(iii) by mutual written consent of Investor and the Company;

b. Each Party's right of termination under Section 7(a) is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 7(a), all further obligations of the parties under this Agreement will terminate; provided, however, that if this Agreement is terminated by a party because of the breach of the Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies will the survive such termination unimpaired; provided, further, that this Section 7(b) and Section 4(l) shall survive any termination or expiration of this Agreement.

8. GOVERNING LAW; MISCELLANEOUS.

a. Governing Law. This Agreement and all actions arising out of or in connection with this Agreement shall be enforced, governed by and construed in accordance with the laws of the State of Delaware applicable to agreements made and to be performed entirely within such state, without regard to the principles of conflict of laws of the State of Delaware or of any other state. Both parties (i) hereby irrevocably and unconditionally submit to the jurisdiction of any federal or state court located within Orange County, California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal or state courts located within Orange County, California, and (iii) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Both parties further agree that service of process upon a party in any manner permitted by applicable law shall be deemed in every respect effective service of process upon the party in any such suit or proceeding. Nothing herein shall affect either party's right to serve process in any other manner permitted by law.

b. Counterparts; Signatures by Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. A signed copy of this Agreement delivered by facsimile, e-mail 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. At the request of any party, the other party shall re-execute an original form of this Agreement and deliver it to the requesting party. No party shall raise the use of facsimile, e-mail or other means of electronic transmission or similar format to deliver a signature page as a defense to the formation of a contract and each such party forever waives any such defense.

c. **Headings**. The headings of this Agreement are for convenience of reference only and shall not form part of, or affect the interpretation of, this Agreement.

d. **Severability**. In the event that any provision of this Agreement is invalid, illegal or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

e. **Entire Agreement; Amendments**. This Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor Investor makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be waived or amended other than by an instrument in writing signed by the party to be charged with enforcement.

f. **Notices**. Any notices required or permitted to be given under the terms of this Agreement shall be sent by certified or registered mail (return receipt requested) or delivered personally, by courier (including a recognized overnight delivery service), by facsimile or by electronic transmission and shall be effective five (5) days after being placed in the mail, if mailed by regular United States mail, or upon receipt, if delivered personally, by courier (including a recognized overnight delivery service), by facsimile or by electronic transmission, in each case addressed to a party. The addresses for such communications shall be:

If to the Company:	Liquidmetal Technologies, Inc. 30452 Esperanza Rancho Santa Margarita, CA 92688 Attention: Thomas Steipp, CEO Telephone: (949) 635-2100 Facsimile: (949) 635-2188 Email: tom.steipp@liquidmetal.com
With a copy to:	Foley & Lardner LLP 100 N. Tampa Street, Suite 2700 Tampa, Florida 33602 Attention: Curt Creely Email: ccreely@foley.com
If to Investor:	Liquidmetal Technology Limited Room 906, Tai Tung Building, 8 Fleming Road Wanchai, Hong Kong Attention: Yeung Tak Lugee Li Facsimile: 516-977-1209
With copy to:	Fleming PLLC 49 Front St., Ste 206 Rockville Centre, NY 11570 Attention: Stephen M. Fleming Telephone: 516-833-5034 Facsimile: 516-977-1209 Email: smf@flemingpllc.com

Each party shall provide notice to the other party of any change in address.

g. **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Investor shall have the right to assign this Agreement and any rights or obligations hereunder without the prior written consent of the Company. However, if the Company receives advice from a outside legal counsel that the identity of the assignee or an Affiliate of the assignee poses a material risk to the Company, then the assignment will not occur until the Company and Investor are mutually satisfied that the identified material risk is appropriately addressed.

h. **Survival**. The representations and warranties of the Company and the agreements and covenants set forth in Sections 3, 4, 7 and 8 shall survive the closing hereunder for a period of two (2) years from the date hereof notwithstanding any due diligence investigation conducted by or on behalf of the Investor. The Company agrees to indemnify and hold harmless each of the Investor and all its officers, directors, employees and agents for loss or damage arising as a result of or related to any breach or alleged breach by the Company of any of its representations, warranties and covenants set forth in Sections 3 and 4 hereof or any of its covenants and obligations under this Agreement, including advancement of expenses as they are incurred. The Investor agrees to indemnify and hold harmless each of the Company and all its officers, directors, employees and agents for loss or damage arising as a result of or related to any breach or alleged breach by the Company of any of its representations, warranties and covenants set forth in Sections 2 and 4 hereof or any of its covenants and obligations under this Agreement, including advancement of expenses as they are incurred.

i. **Publicity**. The Company and Investor shall have the right to review a reasonable period of time before issuance of any press releases, SEC, OTC Markets or FINRA filings, or any other public statements with respect to the transactions contemplated hereby.

j. **Further Assurances**. From time to time after each Closing, each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

k. **No Strict Construction**. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

k. **No Third Party Beneficiaries.** Nothing in this Agreement shall confer any rights or remedies upon any person other than the parties hereto.

l. **Certain Terms.** When used in this Agreement, the term “affiliate” shall have the meaning set forth in Rule 144 promulgated under the 1933 Act. The term “knowledge”, when used to refer to the knowledge of the Company, shall refer to the actual conscious awareness of Thomas Steipp, Tony Chung, or Bruce Bromage.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned Investor and the Company have caused this Agreement to be duly executed as of the date first above written.

LIQUIDMETAL TECHNOLOGIES, INC.

By: /s/ Thomas Steipp
Name: Thomas Steipp
Title: President and CEO

LIQUIDMETAL TECHNOLOGY LIMITED

By /s/ Lugee Li
Name: Lugee Li
Title: CEO

Exhibit A

First Closing Warrant

THIS WARRANT AND THE SHARES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. EXCEPT AS OTHERWISE SET FORTH HEREIN OR IN A SECURITIES PURCHASE AGREEMENT DATED AS OF MARCH 10, 2016 (THE "SECURITIES PURCHASE AGREEMENT"), NEITHER THIS WARRANT NOR ANY OF SUCH SHARES MAY BE SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER SAID ACT OR, AN OPINION OF COUNSEL, IN FORM, SUBSTANCE AND SCOPE, CUSTOMARY FOR OPINIONS OF COUNSEL IN COMPARABLE TRANSACTIONS, THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 OR REGULATION S UNDER SUCH ACT.

Date of Warrant:
March 10, 2016
("Warrant Date"

Right to Purchase
10,066,809 Shares of Common Stock,
par value $.001 per share

STOCK PURCHASE WARRANT

THIS CERTIFIES THAT, for value received, **LIQUIDMETAL TECHNOLOGY LIMITED, a Hong Kong corporation,** or its registered assigns, is entitled to purchase from **Liquidmetal Technologies, Inc.,** a Delaware corporation (the "Company"), at any time or from time to time during the period specified in Paragraph 2 hereof, 10,066,809 fully paid and nonassessable shares of the Company's Common Stock, par value $.001 per share (the "Common Stock"), at an exercise price per share equal to $0.07 (the "Exercise Price"). The term "Warrant Shares," as used herein, refers to the shares of Common Stock purchasable hereunder. The Warrant Shares and the Exercise Price are subject to adjustment as provided in Paragraph 4 hereof.

This Warrant is subject to the following terms, provisions, and conditions:

1. Manner of Exercise; Issuance of Certificates; Payment for Shares. Subject to the provisions hereof, this Warrant may be exercised by the holder hereof, in whole or in part, by the surrender of this Warrant, together with a completed exercise agreement in the form attached hereto (the "Exercise Agreement"), to the Company during normal business hours on any business day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the holder hereof), and upon payment to the Company in cash, by certified or official bank check or by wire transfer for the account of the Company of the Exercise Price for the Warrant Shares specified in the Exercise Agreement. The Warrant Shares so purchased shall be deemed to be issued to the holder hereof or such holder's designee, as the record owner of such shares, as of the close of business on the date on which this Warrant shall have been surrendered, the completed Exercise Agreement shall have been delivered, and payment shall have been made for such shares as set forth above. Certificates for the Warrant Shares so purchased, representing the aggregate number of shares specified in the Exercise Agreement, shall be delivered to the holder hereof within a reasonable time, not exceeding three (3) business days, after this Warrant shall have been so exercised. If this Warrant shall have been exercised only in part, then, unless this Warrant has expired, the Company shall, at its expense, at the time of delivery of such certificates, deliver to the holder a new Warrant representing the number of shares with respect to which this Warrant shall not then have been exercised.

This Warrant may also be exercised at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a certificate for the number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the average closing price of the Company's common stock during the ten (10) trading days immediately preceding the date of such election;

(B) = the Exercise Price of this Warrant, as adjusted pursuant to this Agreement; and

(X) = the number of Warrant Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

2. Period of Exercise; Vesting. Subject to the vesting set forth immediately below, This Warrant is exercisable at any time or from time to time on or after the date on which this Warrant is issued and delivered pursuant to the terms of the Securities Purchase Agreement and before 6:00 p.m., New York, New York time on the tenth (10th) anniversary of the Warrant Date (the "Exercise Period"). On the First Closing Date (as defined in the Securities Purchase Agreement), 2,609,913 shares of Common Stock shall vest and shall be exercisable at anytime. On the Second Closing Date (as defined in the Securities Purchase Agreement), 4,971,264 shares of Common Stock shall vest and shall be exercisable at anytime (the "Second Closing Warrant Shares"). On the Third Closing Date (as defined in the Securities Purchase Agreement), 2,485,632 shares of Common Stock shall vest and shall be exercisable at anytime (the "Third Closing Warrant Shares"). In the event that the Second/Third Closing is not consummated by the 90th day after the Increase (as defined in the Securities Purchase Agreement) becomes effective, then this Warrant solely with respect to the Second Closing Warrant Shares and the Third Closing Warrants Shares shall automatically terminate and thereafter be null and void.

3. **Certain Agreements of the Company.** The Company hereby covenants and agrees as follows:

(a) **Shares to be Fully Paid.** All Warrant Shares will, upon issuance in accordance with the terms of this Warrant, be validly issued, fully paid, and nonassessable and free from all taxes, liens, and charges with respect to the issue thereof.

(b) **Reservation of Shares.** During the Exercise Period, the Company shall at all times have authorized, and reserved for the purpose of issuance upon exercise of this Warrant, a sufficient number of shares of Common Stock to provide for the exercise of this Warrant.

(c) **Successors and Assigns.** This Warrant will be binding upon any entity succeeding to the Company by merger, consolidation, or acquisition of all or substantially all the Company's assets.

4. **Antidilution Provisions.** During the Exercise Period, the Exercise Price and the number of Warrant Shares shall be subject to adjustment from time to time as provided in this Paragraph 4.

In the event that any adjustment of the Exercise Price as required herein results in a fraction of a cent, such Exercise Price shall be rounded up to the nearest cent.

(a) **Subdivision or Combination of Common Stock.** If the Company at any time subdivides (by any stock split, stock dividend, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a greater number of shares, then, after the date of record for effecting such subdivision, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced. If the Company at any time combines (by reverse stock split, recapitalization, reorganization, reclassification or otherwise) the shares of Common Stock acquirable hereunder into a smaller number of shares, then, after the date of record for effecting such combination, the Exercise Price in effect immediately prior to such combination will be proportionately increased.

(b) **Adjustment in Number of Shares.** Upon each adjustment of the Exercise Price pursuant to the provisions of clause (a) of this Paragraph 4, the number of shares of Common Stock issuable upon exercise of this Warrant shall be adjusted by multiplying a number equal to the Exercise Price in effect immediately prior to such adjustment by the number of shares of Common Stock issuable upon exercise of this Warrant immediately prior to such adjustment and dividing the product so obtained by the adjusted Exercise Price.

(c) **Consolidation, Merger or Sale.** In case of any consolidation of the Company with, or merger of the Company into any other corporation, or in case of any sale or conveyance of all or substantially all of the assets of the Company other than in connection with a plan of complete liquidation of the Company, then as a condition of such consolidation, merger or sale or conveyance, adequate provision will be made whereby the holder of this Warrant will have the right to acquire and receive upon exercise of this Warrant in lieu of the shares of Common Stock immediately theretofore acquirable upon the exercise of this Warrant, such shares of stock, securities or assets as may be issued or payable with respect to or in exchange for the number of shares of Common Stock immediately theretofore acquirable and receivable upon exercise of this Warrant had such consolidation, merger or sale or conveyance not taken place. In any such case, the Company will make appropriate provision to insure that the provisions of this Paragraph 4 hereof will thereafter be applicable as nearly as may be in relation to any shares of stock or securities thereafter deliverable upon the exercise of this Warrant. The Company will not effect any consolidation, merger or sale or conveyance unless prior to the consummation thereof, the successor corporation (if other than the Company) assumes by written instrument the obligations under this Paragraph 4 and the obligations to deliver to the holder of this Warrant such shares of stock, securities or assets as, in accordance with the foregoing provisions, the holder may be entitled to acquire.

(d) Price Protection. Upon the issuance of shares of Common Stock by the Company at a per share price less than the Exercise Price as then in effect, the Exercise Price shall be adjusted to equal such price per share. The adjustment set forth in the preceding sentence shall not occur upon the issuance of any (i) shares issued in any of the transactions described in Paragraph 4(a) above, (ii) shares issued upon conversion or exchange of any rights, options, warrants or convertible or exchangeable securities, which rights, options, warrants or convertible or exchangeable securities were issued prior to the date of this Warrant, (iii) any shares issued to employees, directors, officers, consultants, or independent contractors of the Company in consideration of past or future services rendered by such parties to the Company or its affiliates under a stock incentive plan approved by the Company's Board of Directors, (iv) shares issued for consideration other than cash, including without limitation shares issued in a strategic transaction or licensing transaction, or (v) shares of Stock issued as consideration for a merger or acquisition of all or substantially all of the assets of a third party.

5. Issue Tax. The issuance of certificates for Warrant Shares upon the exercise of this Warrant shall be made without charge to the holder of this Warrant or such shares for any issuance tax or other costs in respect thereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than the holder of this Warrant.

6. No Rights or Liabilities as a Shareholder. This Warrant shall not entitle the holder hereof to any voting rights or other rights as a shareholder of the Company. No provision of this Warrant, in the absence of affirmative action by the holder hereof to purchase Warrant Shares, and no mere enumeration herein of the rights or privileges of the holder hereof, shall give rise to any liability of such holder for the Exercise Price or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

7. Transfer, Exchange, and Replacement of Warrant.

(a) Restriction on Transfer. This Warrant and the rights granted to the holder hereof are transferable, in whole or in part, upon surrender of this Warrant, together with a properly executed assignment in the form attached hereto, at the office or agency of the Company, provided, however, that any transfer or assignment shall be subject to the conditions set forth in the applicable provisions of the Securities Purchase Agreement. Until due presentment for registration of transfer on the books of the Company, the Company may treat the registered holder hereof as the owner and holder hereof for all purposes, and the Company shall not be affected by any notice to the contrary.

(b) Warrant Exchangeable for Different Denominations. This Warrant is exchangeable, upon the surrender hereof by the holder hereof at the office or agency of the Company, for new Warrants of like tenor representing in the aggregate the right to purchase the number of shares of Common Stock which may be purchased hereunder, each of such new Warrants to represent the right to purchase such number of shares as shall be designated by the holder hereof at the time of such surrender.

(c) Replacement of Warrant. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of any such loss, theft, or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company, at its expense, will execute and deliver, in lieu thereof, a new Warrant of like tenor.

(d) Cancellation; Payment of Expenses. Upon the surrender of this Warrant in connection with any transfer, exchange, or replacement as provided in this Paragraph 7, this Warrant shall be promptly canceled by the Company. The Company shall pay all taxes (other than securities transfer taxes) and all other expenses (other than legal expenses, if any, incurred by the holder or transferees) and charges payable in connection with the preparation, execution, and delivery of Warrants pursuant to this Paragraph 7.

(e) Register. The Company shall maintain, at its principal executive offices (or such other office or agency of the Company as it may designate by notice to the holder hereof), a register for this Warrant, in which the Company shall record the name and address of the person in whose name this Warrant has been issued, as well as the name and address of each transferee and each prior owner of this Warrant.

(f) Exercise or Transfer Without Registration. If, at the time of the surrender of this Warrant in connection with any exercise, transfer, or exchange of this Warrant, this Warrant (or, in the case of any exercise, the Warrant Shares issuable hereunder), shall not be registered under the Securities Act of 1933, as amended (the "Securities Act") and under applicable state securities or blue sky laws, the Company may require, as a condition of allowing such exercise, transfer, or exchange, (i) that the holder or transferee of this Warrant, as the case may be, furnish to the Company a written opinion of counsel, which opinion and counsel are acceptable to the Company, to the effect that such exercise, transfer, or exchange may be made without registration under said Act and under applicable state securities or blue sky laws, (ii) that the holder or transferee execute and deliver to the Company an investment letter in form and substance acceptable to the Company and (iii) that the transferee be an "accredited investor" as defined in Rule 501(a) promulgated under the Securities Act; provided that no such opinion, letter or status as an "accredited investor" shall be required in connection with a transfer pursuant to Rule 144 under the Securities Act. The first holder of this Warrant, by taking and holding the same, represents to the Company that such holder is acquiring this Warrant for investment and not with a view to the distribution thereof. In no event shall the Holder be permitted to assign the Warrant unless provided with express written consent by the Company.

8. [Intentionally Omitted]

9. **Notices.** All notices, requests, and other communications required or permitted to be given or delivered hereunder to the holder of this Warrant shall be in writing, and shall be personally delivered, or shall be sent by certified or registered mail or by recognized overnight mail courier, postage prepaid and addressed, to such holder at the address shown for such holder on the books of the Company, or at such other address as shall have been furnished to the Company by notice from such holder. All notices, requests, and other communications required or permitted to be given or delivered hereunder to the Company shall be in writing, and shall be personally delivered, or shall be sent by certified or registered mail or by recognized overnight mail courier, postage prepaid and addressed, to the office of the Company at the address set forth in the Purchase Agreement, or at such other address as shall have been furnished to the holder of this Warrant by notice from the Company. Any such notice, request, or other communication may be sent by facsimile, but shall in such case be subsequently confirmed by a writing personally delivered or sent by certified or registered mail or by recognized overnight mail courier as provided above. All notices, requests, and other communications shall be deemed to have been given either at the time of the receipt thereof by the person entitled to receive such notice at the address of such person for purposes of this Paragraph 9, or, if mailed by registered or certified mail or with a recognized overnight mail courier upon deposit with the United States Post Office or such overnight mail courier, if postage is prepaid and the mailing is properly addressed, as the case may be.

10. **Governing Law.** THIS WARRANT SHALL BE ENFORCED, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS. THE PARTIES HERETO HEREBY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES FEDERAL COURTS LOCATED IN ORANGE COUNTY, CALIFORNIA WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS WARRANT, THE AGREEMENTS ENTERED INTO IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. BOTH PARTIES IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH SUIT OR PROCEEDING. BOTH PARTIES FURTHER AGREE THAT SERVICE OF PROCESS UPON A PARTY MAILED BY FIRST CLASS MAIL SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON THE PARTY IN ANY SUCH SUIT OR PROCEEDING. NOTHING HEREIN SHALL AFFECT EITHER PARTY'S RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW. BOTH PARTIES AGREE THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON SUCH JUDGMENT OR IN ANY OTHER LAWFUL MANNER. THE PARTY WHICH DOES NOT PREVAIL IN ANY DISPUTE ARISING UNDER THIS WARRANT SHALL BE RESPONSIBLE FOR ALL FEES AND EXPENSES, INCLUDING ATTORNEYS' FEES, INCURRED BY THE PREVAILING PARTY IN CONNECTION WITH SUCH DISPUTE.

11. **Miscellaneous.**

(a) **Amendments.** This Warrant and any provision hereof may only be amended by an instrument in writing signed by the Company and the holder hereof.

(b) **Descriptive Headings.** The descriptive headings of the several paragraphs of this Warrant are inserted for purposes of reference only, and shall not affect the meaning or construction of any of the provisions hereof.

(c) **Remedies**. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Warrant will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Warrant, that the holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Warrant and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required.

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IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer.

LIQUIDMETAL TECHNOLOGIES, INC.

By: _____
Name:
Title:

Dated as of March 10, 2016

[SIGNATURE PAGE TO STOCK PURCHASE WARRANT]

FORM OF EXERCISE AGREEMENT

Dated: _____ __, 20__

To: _____

The undersigned, pursuant to the provisions set forth in the within Warrant, hereby agrees to purchase _____ shares of Common Stock covered by such Warrant.

Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States $_____; or

[ ] the cancellation of _____ Warrant Shares as is necessary, in accordance with the formula set forth in section 1, to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in section 1.

Please issue a certificate or certificates for such shares of Common Stock in the name of and pay any cash for any fractional share to:

Name: _____

Signature: _____
Address: _____

Note: The above signature should correspond exactly with the name on the face of the within Warrant, if applicable.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers all the rights of the undersigned under the within Warrant, with respect to the number of shares of Common Stock covered thereby set forth hereinbelow, to:

Name of Assignee	Address	No of Shares

, and hereby irrevocably constitutes and appoints _____ as agent and attorney-in-fact to transfer said Warrant on the books of the within-named corporation, with full power of substitution in the premises.z

Dated: _____ __, 20__

In the presence of:

_____

Name: _____

Signature: _____

Title of Signing Officer or Agent (if any):

_____

Address: _____

_____

Note: The above signature should correspond exactly with the name on the face of the within Warrant, if applicable.

Exhibit B

Secured Promissory Note

NEITHER THIS NOTE NOR THE SECURITIES INTO WHICH THIS NOTE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.

$8,400,000 **Original Issue Date:_____, 2016**
Date of Note:_____, 201__

LIQUIDMETAL TECHNOLOGIES, INC.

Secured Convertible Promissory Note

This Secured Convertible Promissory Note (the "Note") is issued by **LIQUIDMETAL TECHNOLOGIES, INC.**, a Delaware corporation (the "Obligor"), to **_____,** a _____ (the "Holder"), pursuant to that certain Securities Purchase Agreement (the "Agreement") dated as of _____, 2016 and the Put Right as defined therein.

FOR VALUE RECEIVED, the Obligor hereby promises to pay to the Holder or its successors and assigns the principal sum of EIGHT MILLION FOUR HUNDRED THOUSAND Dollars ($8,400,000.00) together with accrued but unpaid interest eighteen (18) months after the date hereof (the "Maturity Date"), in accordance with the following terms:

Interest. Interest shall accrue on the outstanding principal balance hereof at an annual rate equal to three percent (3%). Interest shall be calculated on the basis of a 365-day year and the actual number of days elapsed, to the extent permitted by applicable law. Interest hereunder will be paid to the Holder or its assignee (as defined in *Section 4*) in whose name this Note is registered on the records of the Obligor regarding registration and transfers of Notes (the "Note Register").

Right of Redemption. The Obligor at its option shall have the right to redeem a portion or all amounts outstanding under this Note at any time prior to the Maturity Date without penalty or premium.

Security Agreement. This Note is secured by the Security Agreement (the "Security Agreement") between the Obligor and the Holder.

This Note is subject to the following additional provisions:

Section 1. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

Section 2. Events of Default.

(a) An "Event of Default", wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) Any default in the payment of the principal of, interest on or other charges in respect of this Note, free of any claim of subordination, as and when the same shall become due and payable (whether on the Maturity Date or by acceleration pursuant hereto), and, in the case of interest payments, such default continues for a period of at least five (5) Business Days;

(ii) The Obligor shall fail to observe or perform any other material covenant, agreement or warranty contained in, or otherwise commit any material breach or default of any provision of this Note (except as may be covered by *Section 2(a)(i)* hereof), the Agreement, or any Transaction Document (as defined in *Section 4*), which is not cured with in the time prescribed (or, if no time is prescribed, then is not cured within ten (10) Business Days of Obligor's receipt of written notice of breach);

(iii) The Obligor or any material subsidiary of the Obligor shall commence any bankruptcy, insolvency, or other proceeding under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Obligor or any material subsidiary of the Obligor commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Obligor or any material subsidiary of the Obligor or there is commenced against the Obligor or any material subsidiary of the Obligor any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of 61 days; or the Obligor or any material subsidiary of the Obligor is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Obligor or any material subsidiary of the Obligor suffers any appointment of any custodian, private or court appointed receiver or the like for it or any substantial part of its property which continues undischarged or unstayed for a period of sixty one (61) days; or the Obligor or any material subsidiary of the Obligor makes a general assignment for the benefit of creditors; or the Obligor or any material subsidiary of the Obligor shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or the Obligor or any material subsidiary of the Obligor shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; or the Obligor or any material subsidiary of the Obligor shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or any corporate or other action is taken by the Obligor or any subsidiary of the Obligor for the purpose of effecting any of the foregoing;

(iv) The Obligor or any subsidiary of the Obligor shall default in any of its obligations under any other note or any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced any indebtedness for borrowed money or money due under any long term leasing or factoring arrangement of the Obligor or any subsidiary of the Obligor in an amount exceeding $500,000, whether such indebtedness now exists or shall hereafter be created and such default shall result in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable; and

(v) The Common Stock shall cease to be quoted for trading or listed for trading on any of (a) New York Stock Exchange, (b) the Nasdaq National Market, (c) the Nasdaq Capital Market, or (d) OTCQB platform of the OTC Markets ("OTC") (each, a "Primary Market") and shall not again be quoted or listed for trading on any Primary Market within five (5) Trading Days of such delisting.

(b) During the time that any portion of this Note is outstanding, if any Event of Default has occurred and is continuing, the full principal amount of this Note, together with interest and other amounts owing in respect thereof, to the date of acceleration shall become at the Holder's election, immediately due and payable in cash. In addition to any other remedies, the Holder shall have the right (but not the obligation) to convert this Note at any time (x) after and during the continuation of an Event of Default or (y) after the Maturity Date, in either case at the Conversion Price then in-effect. The Holder need not provide and the Obligor hereby waives any presentment, demand, protest or other notice of any kind, and the Holder may immediately enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by Holder at any time prior to payment hereunder. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon. Upon an Event of Default, notwithstanding any other provision of this Note or any Transaction Document, the Holder shall have no obligation to comply with or adhere to any limitations, if any, on the conversion of this Note or the sale of the Underlying Shares (except for limitations imposed by securities laws or other applicable laws).

Section 3. Conversion.

(a) (i) Conversion at Option of Holder.

(1) This Note shall be convertible into shares of Common Stock at the option of the Holder, in whole or in part at any time and from time to time, after the Original Issue Date (as defined in Section 4) (subject to the limitations on conversion set forth in *Section 3(a)(ii)* hereof). The number of shares of Common Stock issuable upon a conversion hereunder equals the quotient obtained by dividing (x) the outstanding amount of this Note to be converted by (y) the Conversion Price (as defined in *Section 3(c)(i)*). The Obligor shall deliver Common Stock certificates to the Holder prior to the Third (3rd) Trading Day after a Conversion Date.

(2) Notwithstanding anything to the contrary contained herein, if on any Conversion Date: (1) the number of shares of Common Stock at the time authorized, unissued and unreserved for all purposes, or held as treasury stock, is insufficient to pay principal and interest hereunder in shares of Common Stock; (2) the Common Stock is not listed or quoted for trading on the OTC or on a Primary Market; or (3) the Obligor has failed to timely satisfy its conversion, then, at the option of the Holder, the Obligor, in lieu of delivering shares of Common Stock pursuant to *Section 3(a)(1)*, shall deliver, within three (3) Trading Days of each applicable Conversion Date, an amount in cash equal to the product of the outstanding principal amount to be converted plus any interest due therein.

Further, if the Obligor shall not have delivered any cash due in respect of conversion of this Note or as payment of interest thereon by the fifth (5^{th}) Trading Day after the Conversion Date, the Holder may, by notice to the Obligor, require the Obligor to issue shares of Common Stock pursuant to *Section 3(c)*, except that for such purpose the Conversion Price applicable thereto shall be the lesser of the Conversion Price on the Conversion Date and the Conversion Price on the date of such Holder demand. Any such shares will be subject to the provisions of this Section.

(3) The Holder shall effect conversions by delivering to the Obligor a completed notice in the form attached hereto as Exhibit A (a "Conversion Notice"). The date on which a Conversion Notice is delivered is the "Conversion Date." Unless the Holder is converting the entire principal amount outstanding under this Note, the Holder is not required to physically surrender this Note to the Obligor in order to effect conversions. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note plus all accrued and unpaid interest thereon in an amount equal to the applicable conversion. The Holder and the Obligor shall maintain records showing the principal amount converted and the date of such conversions. In the event of any dispute or discrepancy, the records of the Holder shall be controlling and determinative in the absence of manifest error.

(ii) Certain Conversion Restrictions.

(A) The Company shall not effect any conversions of this Note and the Holder shall not have the right to convert any portion of this Note or receive shares of Common Stock as payment of interest hereunder to the extent that after giving effect to such conversion or receipt of such interest payment, the Holder, together with any affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such conversion or receipt of shares as payment of interest. Since the Holder will not be obligated to report to the Company the number of shares of Common Stock it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of shares of Common Stock in excess of 4.99% of the then outstanding shares of Common Stock without regard to any other shares which may be beneficially owned by the Holder or an affiliate thereof, the Holder shall have the authority and obligation to determine whether the restriction contained in this Section will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the principal amount of this Note is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a principal amount of this Note that, without regard to any other shares that the Holder or its affiliates may beneficially own, would result in the issuance in excess of the permitted amount hereunder, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum principal amount permitted to be converted on such Conversion Date in accordance with the periods described in *Section 4(a)(i)* and, any principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Note. The provisions of this Section may be waived by a Holder (but only as to itself and not to any other Holder) upon not less than 65 days prior notice to the Company. Other Holders shall be unaffected by any such waiver. For purposes this Note, the term “affiliate” shall have the meaning ascribed thereto in Rule 144 promulgated under the Securities Act.

(b) (i) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to *Section 2* herein for the Obligor's failure to deliver certificates representing shares of Common Stock upon conversion within the period specified herein, and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(ii) In addition to any other rights available to the Holder, if the Obligor fails to deliver to the Holder such certificate or certificates pursuant to *Section 3(a) 1)* by the fifth (5^{th}) Trading Day after the Conversion Date, and if after such fifth (5^{th}) Trading Day the Holder purchases (in an open market transaction or otherwise) Common Stock to deliver in satisfaction of a sale by such Holder of the Underlying Shares which the Holder anticipated receiving upon such conversion (a “Buy-In”), then the Obligor shall (A) pay in cash to the Holder (in addition to any remedies available to or elected by the Holder, if any) the amount by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder anticipated receiving from the conversion at issue multiplied by (2) the market price of the Common Stock at the time of the sale giving rise to such purchase obligation and (B) at the option of the Holder, either reissue a Note in the principal amount equal to the principal amount of the attempted conversion or deliver to the Holder the number of shares of Common Stock that would have been issued had the Obligor timely complied with its delivery requirements under *Section 3(a) (1)*. For example, if the Holder purchases Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted conversion of Notes with respect to which the market price of the Underlying Shares on the date of conversion was a total of $10,000 under clause (A) of the immediately preceding sentence, the Obligor shall be required to pay the Holder $1,000. The Holder shall provide the Obligor written notice indicating the amounts payable to the Holder in respect of the Buy-In.

(c) (i) The initial conversion price of this Note shall be a price per share of Common Stock equal to **$0.08,** subject to adjustment as set forth herein (the "Conversion Price").

(ii) If the Obligor, at any time while this Note is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock, (b) subdivide outstanding shares of Common Stock into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (d) issue by reclassification of shares of the Common Stock any shares of capital stock of the Obligor, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(iii) If the Obligor at any time while this Note is outstanding, shall issue shares of Common Stock or rights, warrants, options or other securities or debt that are convertible into or exchangeable for shares of Common Stock (but excluding the issuance of any Excluded Securities) ("Common Stock Equivalents") entitling any Person to acquire shares of Common Stock, at a price per share less than the Conversion Price (if the holder of the Common Stock or Common Stock Equivalent so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which is issued in connection with such issuance, be entitled to receive shares of Common Stock at a price per share which is less than the Conversion Price, such issuance shall be deemed to have occurred for less than the Conversion Price), then the Conversion Price shall be adjusted to mirror the conversion, exchange or purchase price for such Common Stock or Common Stock Equivalents (including any reset provisions thereof) at issue. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. The Obligor shall notify the Holder in writing, no later than one (1) Business Day following the issuance of any Common Stock or Common Stock Equivalent subject to this Section, indicating therein the applicable issuance price, or of applicable reset price, exchange price, conversion price and other pricing terms. **Excluded Securities**" means any shares of Common Stock issued or issuable: (i) in connection with any stock option plan, equity compensation plan, or the like approved by the Board of Directors of the Obligor; (ii) upon conversion or exercise of any Common Stock Equivalents which are outstanding immediately preceding the Original Issue Date; (iii) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Obligor, and (iv) securities issued in the form of options to commercial lenders as a part of a credit or loan transaction.

(iv) If the Obligor, at any time while this Note is outstanding, shall distribute to all holders of Common Stock (and not to the Holder) evidences of its indebtedness or assets or rights or warrants to subscribe for or purchase any security, then in each such case the Conversion Price at which this Note shall thereafter be convertible shall be determined by multiplying the Conversion Price in effect immediately prior to the record date fixed for determination of stockholders entitled to receive such distribution by a fraction of which the denominator shall be the Closing Bid Price determined as of the record date mentioned above, and of which the numerator shall be such Closing Bid Price on such record date less the then fair market value at such record date of the portion of such assets or evidence of indebtedness so distributed applicable to one outstanding share of the Common Stock as determined by the Board of Directors in good faith. In either case the adjustments shall be described in a statement provided to the Holder of the portion of assets or evidences of indebtedness so distributed or such subscription rights applicable to one share of Common Stock. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date mentioned above.

(v) In case of any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is converted into other securities, cash or property, the Holder shall have the right thereafter to, at its option, (A) convert the then outstanding principal amount, together with all accrued but unpaid interest and any other amounts then owing hereunder in respect of this Note into the shares of stock and other securities, cash and property receivable upon or deemed to be held by holders of the Common Stock following such reclassification or share exchange, and the Holder of this Note shall be entitled upon such event to receive such amount of securities, cash or property as the shares of the Common Stock of the Obligor into which the then outstanding principal amount, together with all accrued but unpaid interest and any other amounts then owing hereunder in respect of this Note could have been converted immediately prior to such reclassification or share exchange would have been entitled, or (B) require the Obligor to prepay the outstanding principal amount of this Note, plus all interest and other amounts due and payable thereon. The entire prepayment price shall be paid in cash. This provision shall similarly apply to successive reclassifications or share exchanges.

(vi) The Obligor shall maintain a share reserve of not less than one hundred percent (100%) of the shares of Common Stock issuable upon conversion of this Note; and within three (3) Business Days following the receipt by the Obligor of a Holder's notice that such minimum number of Underlying Shares is not so reserved, the Obligor shall promptly reserve a sufficient number of shares of Common Stock to comply with such requirement.

(vii) All calculations of the Conversion Price as a result of adjustments under this *Section 3* shall be rounded to the nearest $0.001.

(viii) Whenever the Conversion Price is adjusted pursuant to *Section 3* hereof, the Obligor shall promptly mail to the Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(ix) In case of any (1) merger or consolidation of the Obligor with or into another Person that is not an affiliate of the Obligor, or (2) sale by the Obligor of all or substantially all of the assets of the Obligor in one or a series of related transactions, this Note shall become immediately due and payable.

(x) In the event Obligor’s Common Stock trades at or above a closing price of $0.15 per share (as adjusted for stock splits, reverse stock splits, and the like occurring after the Original Issue Date), and the daily volume is in excess of $100,000 for 30 consecutive Trading Days, the principal amount of the Note, plus accrued interest, shall automatically convert into shares of the Company’s Common Stock at the then-applicable Conversion Price.

(d) The Obligor covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock solely for the purpose of issuance upon conversion of this Note and payment of interest on this Note, each as herein provided, free from preemptive rights or any other actual contingent purchase rights of persons other than the Holder, not less than such number of shares of the Common Stock as shall be issuable (taking into account the adjustments and restrictions of *Sections 2(b) and 3(c)*) upon the conversion of the outstanding principal amount of this Note and payment of interest hereunder at the then-applicable Conversion Price. The Obligor covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly and validly authorized, issued and fully paid, nonassessable.

(e) Upon a conversion hereunder the Obligor shall not be required to issue stock certificates representing fractions of shares of the Common Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the Closing Bid Price at such time. If the Obligor elects not, or is unable, to make such a cash payment, the Holder shall be entitled to receive, in lieu of the final fraction of a share, one whole share of Common Stock.

(f) The issuance of certificates for shares of the Common Stock on conversion of this Note shall be made without charge to the Holder thereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificate, provided that the Obligor shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the Holder of such Note so converted and the Obligor shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Obligor the amount of such tax or shall have established to the satisfaction of the Obligor that such tax has been paid.

(g) Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) trading day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company, to:

Liquidmetal Technologies, Inc.
30452 Esperanza
Rancho Santa Margarita, CA 9268
Attention:
Telephone: (949) 635-2100
Facsimile:

With a copy to:

If to the Holder, to the address set forth in the Purchase Agreement or at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (iii) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

Section 4. Definitions. For the purposes hereof, the following terms shall have the following meanings:

"Business Day" means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions are authorized or required by law or other government action to close.

"Common Stock" means the common stock, no par value, of the Obligor and stock of any other class into which such shares may hereafter be changed or reclassified.

"Conversion Date" shall mean the date upon which the Holder gives the Obligor notice of their intention to effectuate a conversion of this Note into shares of the Company's Common Stock as outlined herein.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Original Issue Date" shall mean the date of the first issuance of this Note regardless of the number of transfers and regardless of the number of instruments, which may be issued to evidence such Note.

"Closing Bid Price" means the price per share in the last reported trade of the Common Stock on the Primary Market or on the exchange which the Common Stock is then listed as quoted by Bloomberg, LP.

"Person" means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

"Trading Day" means a day on which the shares of Common Stock are quoted on the Primary Market or the market on which the shares of Common Stock are then quoted or listed; provided, that in the event that the shares of Common Stock are not listed or quoted, then Trading Day shall mean a Business Day.

"Transaction Documents" means the Securities Purchase Agreement dated _____, 2016 between the Obligor, this Note, and the Security Agreement.

"Underlying Shares" means the shares of Common Stock issuable upon conversion of this Note or as payment of interest in accordance with the terms hereof.

Section 5. Except as expressly provided herein, no provision of this Note shall alter or impair the obligations of the Obligor, which are absolute and unconditional, to pay the principal of, interest and other charges (if any) on, this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct obligation of the Obligor. This Note ranks pari passu with all other Notes now or hereafter issued under the terms set forth herein. As long as this Note is outstanding, the Obligor shall not and shall cause their subsidiaries not to, without the consent of the Holder, (i) amend its certificate of incorporation, bylaws or other charter documents so as to adversely affect any rights of the Holder; (ii) repay, repurchase or offer to repay, repurchase or otherwise acquire shares of its Common Stock or other equity securities other than as to the Underlying Shares to the extent permitted or required under the Transaction Documents; or (iii) enter into any agreement with respect to any of the foregoing.

Section 6. This Note shall not entitle the Holder to any of the rights of a stockholder of the Obligor, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Obligor, unless and to the extent converted into shares of Common Stock in accordance with the terms hereof.

Section 7. If this Note is mutilated, lost, stolen or destroyed, the Obligor shall execute and deliver, in exchange and substitution for and upon cancellation of the mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, and indemnity, if requested, all reasonably satisfactory to the Obligor.

Section 8. No indebtedness of the Obligor is senior to this Note in right of payment, whether with respect to interest, damages or upon liquidation or dissolution or otherwise. Without the Holder's consent, the Obligor will not and will not permit any of their subsidiaries to, directly or indirectly, enter into, create, incur, assume or suffer to exist any indebtedness of any kind, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits there from that is senior in any respect to the obligations of the Obligor under this Note.

Section 9. This Note shall be governed by and construed in accordance with the laws of the State of California, without giving effect to conflicts of laws thereof. Each of the parties consents to the jurisdiction of the Courts of the State of California sitting in Orange County, California and the U.S. District Court sitting in Santa Ana, California in connection with any dispute arising under this Note and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on forum non conveniens to the bringing of any such proceeding in such jurisdictions.

Section 10. If the Obligor fails to strictly comply with the terms of this Note, then the Obligor shall reimburse the Holder promptly for all out-of-pocket fees, costs and expenses, including, without limitation, attorneys' fees and expenses incurred by the Holder in any action in connection with this Note, including, without limitation, those incurred: (i) during any workout, attempted workout, and/or in connection with the rendering of legal advice as to the Holder's rights, remedies and obligations, (ii) collecting any sums which become due to the Holder, (iii) defending or prosecuting any proceeding or any counterclaim to any proceeding or appeal; or (iv) the protection, preservation or enforcement of any rights or remedies of the Holder.

Section 11. Any waiver by the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver must be in writing.

Section 12. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder shall violate applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Obligor covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Obligor from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this indenture, and the Obligor (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impeded the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

Section 13. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

Section 14. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION DOCUMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES' ACCEPTANCE OF THIS AGREEMENT.

IN WITNESS WHEREOF, the Obligor has caused this Secured Convertible Promissory Note to be duly executed by a duly authorized officer as of the date set forth above.

LIQUIDMETAL TECHNOLOGIES, INC.

By: _____
Name:
Title:

EXHIBIT "A"

CONVERSION NOTICE

(To be executed by the Holder in order to Convert the Note)

TO:

The undersigned hereby irrevocably elects to convert $_____ of the principal amount of the attached Note plus $_____ in accrued and unpaid interest into Shares of Common Stock of **LIQUIDMETAL TECHNOLOGIES, INC.**, according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date:
Amount to be converted: $
Conversion Price: $
Number of shares of Common Stock to be issued:
Amount of Note Unconverted: $

Please issue the shares of Common Stock in the following name and to the following address:
Issue to:

Authorized Signature:
Name:
Title:

Exhibit C

Security Agreement

SECURITY AGREEMENT

SECURITY AGREEMENT (this "Agreement"), by and among Liquidmetal Technologies, Inc., a Delaware corporation (the "Company"), and the secured party signatory hereto and its respective permitted endorsees, transferees and assigns (the "Secured Party").

W I T N E S S E T H:

WHEREAS, pursuant to a Securities Purchase Agreement dated March 10, 2016, between the Company and the Secured Party (the "Purchase Agreement"), the Company has agreed to issue to the Secured Party upon the Secured Party exercising its Put Option (as defined in the Purchase Agreement) and the Secured Party has agreed to acquire from the Company, upon such occurrence, a 3% Secured Convertible Promissory Note (the "Note"), which is convertible into shares of Company's Common Stock, par value $.001 per share (the "Common Stock"); and

WHEREAS, in order to induce the Secured Party to enter the Purchase Agreement, Company has agreed to execute and deliver to the Secured Party this Agreement upon exercise of the Put Option, for the benefit of the Secured Party, and to grant to it a security interest in certain property of Company to secure the prompt payment, performance and discharge in full of all of Company's obligations under the Note; and

WHEREAS, in light of the foregoing, the Company expects to derive substantial benefit from the Purchase Agreement and sale of the Note and the transactions contemplated thereby and, in furtherance thereof, has agreed to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Certain Definitions. As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the UCC (such as "general intangibles" and "proceeds") shall have the respective meanings given such terms in Article 9 of the UCC.

(a) "Collateral" means the following, whether presently owned or existing or hereafter acquired or coming into existence, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith; provided, however, in no event shall the term "Collateral" include the Excluded Assets (as defined below):

(i) All Goods of the Company, including, without limitations, all machinery, equipment, computers, motor vehicles, trucks, tanks, boats, ships, appliances, furniture, special and general tools, fixtures, test and quality control devices and other equipment of every kind and nature and wherever situated, together with all documents of title and documents representing the same, all additions and accessions thereto, replacements therefor, all parts therefor, and all substitutes for any of the foregoing and all other items used and useful in connection with the Company's businesses and all improvements thereto (collectively, the "Equipment"); and

(ii) All Inventory of the Company; and

(iii) All of the Company's contract rights and general intangibles, including, without limitation, all partnership interests, stock or other securities, including all securities of each subsidiary of the Company, licenses, distribution and other agreements, computer software development rights, leases, franchises, customer lists, quality control procedures, grants and rights, goodwill, licenses, deposit accounts, and income tax refunds (collectively, the "General Intangibles"); and

(iv) All Receivables of the Company including all insurance proceeds, and rights to refunds or indemnification whatsoever owing, together with all instruments, all documents of title representing any of the foregoing, all rights in any merchandising, goods, equipment, motor vehicles and trucks which any of the same may represent, and all right, title, security and guaranties with respect to each Receivable, including any right of stoppage in transit; and

(v) All of the Company's documents, instruments and chattel paper, files, records, books of account, business papers, computer programs and the products and proceeds of all of the foregoing Collateral set forth in clauses (i)-(iv) above.

(b) [NTD: Subsidiaries should not be pulled into this agreement through the inclusion of "subsidiary" in this defined term.] "Excluded Assets" means (a) Intellectual Property and/or Intellectual Property Rights of the Company and/or its subsidiaries, and (b) the Company's equity interest and other rights and interests in and with respect to Crucible Intellectual Property, LLC, a Delaware limited liability company.

(c) "Intellectual Property" means and includes, but is not limited to, all algorithms, alloys, application program interfaces, compositions, customer lists, databases, schemata, equipment design, design documents and analyses, diagrams, documentation, drawings, formulae, discoveries and inventions (whether or not patentable), know-how, literary works, copyrightable works, works of authorship, manufactur-ing processes, mask works, logos, marks (including names, logos, slogans, and trade dress), methods, methodologies, architectures, processes, program listings, programming tools, proprietary information, protocols, schematics, specifications, software, software code (in any form including source code and executable or object code), subroutines, user interfaces, techniques, uniform resource locators, web sites, and all other forms and types of technology (whether or not embodied in any tangible form and including all tangible embodiments of the foregoing such as compilations of information, instruction manuals, notebooks, prototypes, reports, samples, studies, and summaries).

(d) Intellectual Property Rights" means and includes, but is not limited to, all past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, and mask works; (b) trademark and trade name rights and similar rights; (c) trade dress rights; (d) trade secret rights; (e) patents and industrial property rights; (f) other proprietary rights in Intellectual Property of every kind and nature; and (g) all registrations, renewals, extensions, combinations, divisions, continuations, continuations in part, reexamination certificates, or reissues of, and applications for, any of the rights referred to in clauses (a) through (f) above.

(e) "Obligations" means all of the Company's obligations under this Agreement and the Note, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later decreased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from the Secured Party as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time.

(f) "Permitted Lien" means (a) liens for taxes, assessments or other governmental charges not at the time delinquent or thereafter payable without penalty or being contested in good faith by appropriate proceedings; (b) liens arising in the ordinary course of business (such as (i) liens of carriers, warehousemen, mechanics and materialmen and other similar liens imposed by law, and (ii) liens in the form of deposits or pledges incurred in connection with worker's compensation, unemployment compensation and other types of social security (excluding liens arising under the Pension Benefit Guaranty Corporation created by the Employee Retirement Income Security Act of 1974, P.L. 93-406, as amended) or in connection with surety bonds, bids, performance bonds and similar obligations) for sums not overdue or being contested in good faith by appropriate proceedings and not involving any advances or borrowed money or the deferred purchase price of property or services, which do not in the aggregate materially detract from the value of the property or assets of Company or materially impair the use thereof in the operation of Company's business; (c) liens arising in connection with obligations under any lease of property (real, personal or mixed) which, in accordance with GAAP, should be capitalized on the lessee's balance sheet or for which the amount of the asset and liability thereunder as if so capitalized should be disclosed in a note to such balance sheet (and attaching only to the property being leased) and purchase money financing; and (d) liens granted to the Secured Party hereunder.

(g) "UCC" means the Uniform Commercial Code, as currently in effect in the State of California.

2. Grant of Security Interest. As an inducement for the Secured Party to purchase the Note and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, the Company hereby, unconditionally and irrevocably, pledges, grants and hypothecates to the Secured Party, a continuing security interest in, and a continuing lien upon, , all of the Company's right, title and interest of whatsoever kind and nature in and to the Collateral (the "Security Interest").

3. Representations, Warranties, Covenants and Agreements of the Company. The Company represents and warrants to, and covenants and agrees with, the Secured Party as follows:

(a) The Company has the requisite corporate power and authority to enter into this Agreement and otherwise to carry out its obligations thereunder. The execution, delivery and performance by the Company of this Agreement and the filings contemplated herein have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company. This Agreement constitutes a legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditor's rights generally.

(b) The Company represents and warrants that it has no place of business or offices where its respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth on Schedule A attached hereto;

(c) The Company shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule A attached hereto and may not relocate such books of account and records or tangible Collateral unless it delivers to the Secured Party (i) prompt written notice of such relocation and the new location thereof (which must be within the United States) and (ii) evidence that appropriate financing statements and other necessary documents have been filed and recorded and other steps have been taken to perfect the Security Interest to create in favor of the Secured Party valid, perfected and continuing first priority liens in the Collateral, subject only to Permitted Liens.

(d) This Agreement creates in favor of the Secured Party a valid security interest in the Collateral securing the payment and performance of the Obligations and, upon making the filings described in the immediately following sentence, a perfected first priority security interest in such Collateral, subject only to Permitted Liens. Except for the filing of financing statements on Form-1 under the UCC with the jurisdictions indicated on Schedule B, attached hereto, and any authorization, approval, filing, or notice which has been obtained or made and is in full force and effect, no authorization or approval of or filing with or notice to any governmental authority or regulatory body is required either (i) for the grant by the Company of, or the effectiveness of, the Security Interest granted hereby or for the execution, delivery and performance of this Agreement by the Company or (ii) for the perfection of or exercise by the Secured Party of its rights and remedies hereunder.

(e) The execution, delivery and performance of this Agreement does not conflict with or cause a breach or default, or an event that with or without the passage of time or notice, shall constitute a breach or default, under any material agreement to which the Company is a party or by which the Company is bound. No consent (including, without limitation, from stock holders or creditors of the Company) is required for the Company to enter into and perform its obligations hereunder other than any consent which has been obtained and is in full force and effect.

(f) The Company shall at all times maintain the liens and Security Interest provided for hereunder as valid and perfected first priority liens, subject to Permitted Liens, and security interests in the Collateral in favor of the Secured Party until this Agreement and the Security Interest hereunder shall terminate pursuant to Section 11. The Company hereby agrees to defend the same against any and all persons. The Company shall safeguard and protect all Collateral for the account of the Secured Party. At the request of the Secured Party, the Company will sign and deliver to the Secured Party at any time or from time to time one or more financing statements pursuant to the UCC (or any other applicable statute) in form reasonably satisfactory to the Secured Party and will pay the cost of filing the same in all public offices wherever filing is, or is deemed by the Secured Party to be, necessary or desirable to effect the rights and obligations provided for herein. Without limiting the generality of the foregoing, the Company shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interest hereunder, and the Company shall obtain and furnish to the Secured Party from time to time, promptly upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interest hereunder.

(g) The Company will not transfer, pledge, hypothecate, encumber, license (except for non-exclusive licenses granted by the Company in the ordinary course of business), sell or otherwise dispose of any of the Collateral without the prior written consent of the Secured Party.

(h) The Company shall keep and preserve its Equipment, Inventory and other tangible Collateral in good condition, repair and order, ordinary wear and tear excepted, except for Equipment, Inventory or other tangible Collateral no longer used or useful in the conduct of Company's business and shall not operate or locate any such Collateral (or cause to be operated or located) in any area excluded from insurance coverage.

(i) The Company shall, within ten (10) days of obtaining knowledge thereof, advise the Secured Party promptly, in sufficient detail, of any material change in the Collateral, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral or on the Secured Party's security interest therein.

(j) The Company shall promptly execute and deliver to the Secured Party such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Secured Party may from time to time request and may in its reasonable discretion deem necessary to perfect, protect or enforce its security interest in the Collateral.

(k) The Company shall permit the Secured Party and its representatives and agents to inspect the Collateral, and to make copies of records pertaining to the Collateral as may be reasonably requested by the Secured Party, in each case not more than once per fiscal year of the Company if no Event of Default has occurred that is continuing.

(l) The Company will take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any rights, claims, causes of action and accounts receivable in respect of the Collateral.

(m) The Company shall promptly notify the Secured Party in sufficient detail promptly upon becoming aware of any attachment, garnishment, execution or other legal process levied against any Collateral and of any other information received by the Company that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Secured Party hereunder.

(n) All information heretofore, herein or hereafter supplied to the Secured Party by or on behalf of the Company with respect to the Collateral is accurate and complete in all material respects as of the date furnished.

(o) Schedule A attached hereto contains a list of all of the subsidiaries of Company.

4. Defaults. The following events shall be "Events of Default":

(a) The occurrence of an Event of Default (as defined in the Note) under the Note;

(b) Any representation or warranty of the Company in this Agreement shall prove to have been incorrect in any material respect when made; and

(c) The failure by the Company to observe or perform any of its obligations hereunder for ten (10) days after receipt by the Company of notice of such failure from the Secured Party.

5. Duty To Hold In Trust. Upon the occurrence and during the continuance of an Event of Default, the Company shall, upon receipt by it of any revenue, income or other sums subject to the Security Interest, whether payable pursuant to the Note or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Secured Party and shall forthwith endorse and transfer any such sums or instruments, or both, to the Secured Party for application to the satisfaction of the Obligations.

6. Rights and Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Secured Party shall have the right to exercise all of the remedies conferred hereunder and under the Note, and the Secured Party shall have all the rights and remedies of a secured party under the UCC and/or any other applicable law (including the Uniform Commercial Code of any jurisdiction in which any Collateral is then located). Without limitation, the Secured Party shall have the following rights and powers:

(a) The Secured Party shall have the right to take possession of the Collateral and, for that purpose, enter, subject to any restrictions set forth in the UCC or other applicable law, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and the Company shall assemble the Collateral and make it available to the Secured Party at places which the Secured Party shall reasonably select, whether at the Company's premises or elsewhere, and make available to the Secured Party, all of the Company's premises and facilities at which the Collateral is located for the purpose of the Secured Party taking possession of, removing or putting the Collateral in saleable or disposable form.

(b) The Secured Party shall have the right to operate the business of the Company using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon commercially reasonable terms and conditions

7. Applications of Proceeds. The proceeds of any such sale, lease or other disposition of the Collateral hereunder shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable attorneys' fees and expenses incurred by the Secured Party in enforcing its rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations, and to the payment of any other amounts required by applicable law, after which the Secured Party shall promptly pay to the Company any surplus proceeds.

8. Costs and Expenses. The Company agrees to pay all out-of-pocket fees, costs and expenses incurred in connection with any filing required hereunder, including without limitation, any financing statements, continuation statements, partial releases and/or termination statements related thereto or any expenses of any searches reasonably required by the Secured Party. The Company will also, upon demand, pay to the Secured Party the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Secured Party may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Party under the Note.

9. Responsibility for Collateral. The Company assumes all liabilities and responsibility in connection with all Collateral, other than Collateral in the possession of Secured Party, and the obligations of the Company hereunder or under the Note shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason.

10. Security Interest Absolute. All rights of the Secured Party and all Obligations of the Company hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Note or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Note or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guaranty, or any other security, for all or any of the Obligations; (d) any action by the Secured Party to obtain, adjust, settle and cancel in its reasonable discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to the Company, or a discharge of all or any part of the Security Interest granted hereby, other than payment in full of the Obligations. Until the Obligations shall have been paid and performed in full, the rights of the Secured Party shall continue even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations or bankruptcy. The Company expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance. In the event that at any time any transfer of any Collateral or any payment received by the Secured Party hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Party, then, in any such event, the Company's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. The Company waives all right to require the Secured Party to proceed against any other person or to apply any Collateral which the Secured Party may hold at any time, or to marshal assets, or to pursue any other remedy.

11. Term of Agreement. This Agreement and the Security Interest shall terminate on the date on which all payments under the Note have been made in full. Upon such termination, the Secured Party, at the request and at the expense of the Company, will join in executing any releases with respect to the Security Interest granted hereunder, and any termination statement with respect to any financing statement executed and filed pursuant to this Agreement.

12. Power of Attorney; Further Assurances.

(a) The Company authorizes the Secured Party, and does hereby make, constitute and appoint it, and its respective officers, agents, successors or permitted assigns with full power of substitution, as the Company's true and lawful attorney-in-fact, with power, in its own name or in the name of the Company, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any notes, checks, drafts, money orders, or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Secured Party; (ii) sign and endorse any UCC financing statement or any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; and (v) generally, to do, at the option of the Secured Party, and at the Company's expense after the occurrence and during the continuance of an Event of Default all acts and things which the Secured Party reasonably deems necessary to protect, preserve and realize upon the Collateral and the Security Interest granted therein in order to effect the intent of this Agreement, the Note, all as fully and effectually as the Company might or could do; and the Company hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding.

(b) On a continuing basis, the Company will make, execute, acknowledge, deliver, file and record, as the case may be, in the proper filing and recording places in any jurisdiction, including, without limitation, the jurisdictions indicated on Schedule B, attached hereto, all such instruments, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Secured Party, to perfect the Security Interest granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Secured Party the grant or perfection of a security interest in all the Collateral.

(c) The Company hereby irrevocably appoints the Secured Party as the Company's attorney-in-fact, with full authority in the place and stead of the Company and in the name of the Company, from time to time in the Secured Party's discretion, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including the filing, in its sole discretion, of one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of the Company where permitted by law.

13. Notices. All notices, requests, demands and other communications hereunder shall be in writing, with copies to all the other parties hereto, and shall be deemed to have been duly given when (i) if delivered by hand, upon receipt, (ii) if sent by facsimile, upon receipt of proof of sending thereof, (iii) if sent by nationally recognized overnight delivery service (receipt requested), the next business day or (iv) if mailed by first-class registered or certified mail, return receipt requested, postage prepaid, four days after posting in the U.S. mails, in each case if delivered to the following addresses:

If to the Company, to:

Liquidmetal Technologies, Inc.
30452 Esperanza
Rancho Santa Margarita, CA 9268
Attention:
Telephone: (949) 635-2100
Facsimile:

With a copy to:

If to the Secured Party, then the address set forth in the Purchase Agreement.

14. Other Security. To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation or other entity, then the Secured Party shall have the right, in its sole discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of the Secured Party's rights and remedies hereunder.

15. Miscellaneous.

(a) No course of dealing between the Company and the Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder or under the Note shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Secured Party with respect to the Collateral, whether established hereby or by the Note or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and is intended to supersede all prior negotiations, understandings and agreements with respect thereto. Except as specifically set forth in this Agreement, no provision of this Agreement may be modified or amended except by a written agreement specifically referring to this Agreement and signed by the parties hereto.

(d) In the event that any provision of this Agreement is held to be invalid, prohibited or unenforceable in any jurisdiction for any reason, unless such provision is narrowed by judicial construction, this Agreement shall, as to such jurisdiction, be construed as if such invalid, prohibited or unenforceable provision had been more narrowly drawn so as not to be invalid, prohibited or unenforceable. If, notwithstanding the foregoing, any provision of this Agreement is held to be invalid, prohibited or unenforceable in any jurisdiction, such provision, as to such jurisdiction, shall be ineffective to the extent of such invalidity, prohibition or unenforceability without invalidating the remaining portion of such provision or the other provisions of this Agreement and without affecting the validity or enforceability of such provision or the other provisions of this Agreement in any other jurisdiction.

(e) No waiver of any breach or default or any right under this Agreement shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default or right, whether of the same or similar nature or otherwise.

(f) This Agreement may not be assigned by either party without the prior written consent of the other party. This Agreement shall be binding upon and inure to the benefit of each party hereto and its successors and permitted assigns.

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) This Agreement shall be construed in accordance with the laws of the State of California, except to the extent the validity, perfection or enforcement of a security interest hereunder in respect of any particular Collateral which are governed by a jurisdiction other than the State of California in which case such law shall govern. Each of the parties hereto irrevocably submit to the exclusive jurisdiction of any California State or United States Federal court sitting in Orange County, California over any action or proceeding arising out of or relating to this Agreement, and the parties hereto hereby irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such California State or Federal court. The parties hereto agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The parties hereto further waive any objection to venue in the State of California and any objection to an action or proceeding in the State of California on the basis of forum non conveniens.

(i) EACH PARTY HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATER OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR EACH PARTY TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH PARTY HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT AND THAT EACH PARTY WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY HAS KNOWINGLY AND VOLUNTARILY WAIVES ITS RIGHTS TO A JURY TRIAL FOLLOWING SUCH CONSULTATION. THIS WAIVER IS IRREVOCABLE, MEANING THAT, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS AND SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF A LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(j) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this to be duly executed on the day and year first above written.

COMPANY

LIQUIDMETAL TECHNOLOGIES INC.

By: _____
Name:
Title:

SECURED PARTY:

LIQUIDMETAL TECHNOLOGY LIMITED

By: _____
Name:
Title:

Schedule A

Schedule B

Exhibit D

Securities Legal Opinion

ATTORNEYS AT LAW
100 NORTH TAMPA STREET, SUITE 2700
TAMPA, FL 33602-5810
P.O. BOX 3391
TAMPA, FL 33601-3391
813.229.2300 TEL
813.221.4210 FAX
WWW.FOLEY.COM

CLIENT/MATTER NUMBER
078489-0137

March 10, 2016

Liquidmetal Technology Limited
Room 906, Tai Tung Building, 8 Fleming Road
Wanchai, Hong Kong

Re: Liquidmetal Technologies, Inc.

Ladies and Gentlemen:

We have acted as counsel to Liquidmetal Technologies, Inc., a Delaware corporation (the "**Company**"), in connection with the Securities Purchase Agreement, dated as of March 10, 2016, between you and the Company (the "**Agreement**") and the transactions contemplated therein. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement. This opinion letter is being delivered to you pursuant to Section 6(a)(vii) of the Agreement.

In rendering the opinions expressed below, we have examined the following documents: (i) the Agreement, the Put Note that is in the form attached as an exhibit to the Agreement and the Put Security Agreement that is in the form attached as an exhibit to the Agreement (collectively, the "**Transaction Agreements**"), (ii) the Company's Certificate of Incorporation, as in effect on the date hereof (the "**Certificate of Incorporation**"), (iii) the Company's Bylaws, as in effect on the date hereof (the "**Bylaws**"), (iv) a certificate of good standing with respect to the Company, issued by the Delaware Secretary of State on March 7, 2016 (the "**Certificate of Status**"), which we assume remains accurate through the date of this letter, (v) a certificate of good standing with respect to Liquidmetal Golf, a California corporation (the "**California Sub**"), issued by the California Secretary of State on March 7, 2016 (the "**California Sub Certificate of Status**"), which we assume remains accurate through the date of this letter, (vi) a certificate of good standing with respect to Crucible Intellectual Property, LLC, a Delaware limited liability company (the "**Delaware Sub**", and with the California Sub, each a "**Subsidiary**" and collectively, the "**Subsidiaries**"), issued by the Delaware Secretary of State on March 7, 2016 (the "**Delaware Sub Certificate of Status**", and with the California Sub Certificate of Status, the "**Subsidiary Certificates of Status**"), which we assume remains accurate through the date of this letter, and (vii) the resolutions of the Board of Directors of the Company, adopted at a meeting held on March 4, 2016, as supplemented by a unanimous written consent action of the Board of Directors of the Company, dated effective as of March 8, 2016, authorizing and approving the transactions contemplated by the Agreement and the execution and delivery of the Transaction Agreements.

We have also considered such matters of law and of fact, including the examination of originals or copies, certified or otherwise identified to our satisfaction, of such records and documents of the Company, certificates of officers, directors and representatives of the Company, certificates of public officials and such other documents as we have deemed appropriate as a basis for the opinions set forth below. We also have relied upon the representations in the Transaction Agreements. We have made no attempt to independently verify the factual statements and representations contained in certificates or in the Transaction Agreements. We specifically advise you that we have made no docket or other search of the records of any court, administrative tribunal or other similar person or body to determine the existence of pending litigation, nor have we performed or had performed any independent search of any other public records, searched the books or records of the Company or any other person, searched any internal files, court files, public records or other information or, except as expressly set forth in this opinion letter, collected, examined or reviewed any communications, instruments, agreements, documents, financial statements, tax filings, minutes, records or liens.

In rendering our opinion in paragraph 1 as to the incorporation and good standing of the Company under the laws of the State of Delaware, we have relied exclusively on the Certificate of Status, which we assume remains accurate as of the date of this letter.

In rendering our opinion in paragraph 1 as to the incorporation and good standing of the California Sub under the laws of the State of California and as to the organization and good standing of the Delaware Sub under the laws of the State of Delaware, we have relied exclusively on the Subsidiary Certificates of Status, which we assume remain accurate as of the date of this letter.

In connection with the opinions expressed in paragraphs 8 and 9 below, we have assumed that the offer and sale of the Securities is not integrated with any past or future securities offering of the Company. Our opinions in paragraphs 8 and 9 also assume that neither the Company nor any other party on behalf of the Company engaged in any general solicitation or general advertising, as described in Rule 502(c) under the Securities Act of 1933, as amended (the "**Securities Act**"), with respect to the offer, issuance and sale of the Securities. We have further assumed that none of the actions described in subparagraphs (i) through (viii) of Rule 506(d)(1) of Regulation D under the Securities Act has been taken as of the date hereof with respect to the Company or any of the covered persons with relationships to the Company described in the initial clause of Rule 506(d)(1).

The opinions set forth in this letter are limited solely to the Delaware General Corporation Law (the "**DGCL**") and the federal laws of the United States of America, and we express no opinion as to the laws of any other jurisdiction, including state securities or "Blue Sky" laws, rules or regulations. In addition, we express no opinion relating to local laws, regulations or ordinances (including statutes, administrative decisions, and rules and regulations of county, municipal and political subdivisions), or any choice-of-law provisions in the Transaction Agreements.

In rendering the opinions set forth in this opinion letter, we have made the following assumptions, without independent verification, in addition to the other assumptions set forth in this letter:

a. the legal capacity of each natural person and the legal existence of all parties other than the Company to the transactions referred to in the Transaction Agreements;

b. the power and authority of each person other than the Company or person(s) acting on behalf of the Company to execute, deliver and perform each document executed and delivered and to do each other act done or to be done by such person;

c. the authorization, execution, and delivery by each person other than the Company of each document executed and delivered or to be executed and delivered by such person;

d. the legality, validity, binding effect and enforceability as to each person other than the Company or person(s) acting on behalf of the Company of each document executed and delivered or to be executed or delivered and of each other act done or to be done by such person;

e. the transactions referred to in the Transaction Agreements have been consummated;

f. the genuineness of all signatures and the completeness of each document submitted to us;

g. the authenticity and completeness of all documents submitted to us as originals;

h. the conformity to originals of all documents and instruments submitted to us as photostatic copies, and the authenticity and completeness of the originals of such latter documents;

i. that there have been no undisclosed modifications of any documents reviewed by us in connection with the rendering of the opinion and no undisclosed prior waiver of any right or remedy contained in any of the documents;

j. the truthfulness of each statement as to all factual matters contained in any document reviewed by us in connection with this opinion;

k. the accuracy on the date of the opinion as well as on the date stated in all governmental certifications of each statement as to each factual matter contained in such governmental certifications;

l. that the addressees have acted in good faith, without notice of adverse claims, and have complied with all laws applicable to them that affect the transactions referred to in the Transaction Agreements;

m. that no action, discretionary or otherwise, will be taken by or on behalf of the Company in the future that might result in a violation of law;

n. that with respect to the Transaction Agreements and to the transactions referred to therein, there has been no mutual mistake of material fact and there exists no fraud or duress; and

o. the constitutionality and validity of all relevant laws, regulations and agency actions.

In addition, we have assumed, with your permission and without any independent investigation, inquiry or verification, that (i) the representations and warranties in the Transaction Agreements are true, accurate and complete in all respects at the date of this opinion letter; (ii) the Company’s Board of Directors has complied with all fiduciary duties applicable to their consideration and approval of the Transaction Agreements and the transactions contemplated by them; and (iii) the transactions contemplated by the Transaction Agreements are not transactions, nor are they part of a chain of transactions, that are part of a plan or scheme to evade the registration provisions of the Securities Act.

For purposes of this opinion, “to our knowledge” or “known to us” means the actual knowledge of those attorneys currently in our firm who have given substantive attention to the transactions contemplated by the Transaction Agreements, without independent investigation to determine the existence or absence of any facts or circumstances.

Based upon the foregoing and subject to the assumptions, limitations, qualifications and exceptions stated herein, we are of the opinion that as of the date hereof:

1. The Company has been duly incorporated and is a corporation validly existing in good standing under the Laws of the State of Delaware, and has all corporate power and authority necessary to own its properties and to conduct its business as described in the SEC Documents. The California Subsidiary has been duly incorporated and is validly existing in good standing under the laws of the State of California, and the Delaware Subsidiary has been duly organized and is validly existing in good standing under the laws of the State of Delaware.

2. Based solely on our review of the Certificate of Incorporation, the authorized capital stock of the Company consists of 10,000,000 shares of Preferred Stock, par value $0.001 per share, and 700,000,000 shares of Common Stock, par value $0.001 per share.

3. The form of certificates used to evidence the Common Stock are in proper form and comply with all applicable requirements of the Certificate of Incorporation and Bylaws of the Company and General Corporation Law of the State of Delaware.

4. The Company has the corporate power to execute and deliver, and perform its obligations under, the Transaction Agreements.

5. The Company has taken all corporate action necessary to authorize its execution and delivery of, and its performance under, the Transaction Agreements (including the authorization, sale, issuance and delivery of the Securities pursuant to the Transaction Agreements).

6. The execution and delivery of the Transaction Agreements, the performance by the Company of its obligations thereunder, the issuance and sale of the Securities: (a) will not result in a violation of the Certificate of Incorporation or Bylaws of the Company; and (b) will not violate the DGCL or any provision of United States federal law that, in our experience, is normally applicable to transactions of the type contemplated by the Transaction Agreements (without our having made any special investigation as to the applicability of any specific statute, law, rule, or regulation other than the DGCL).

7. The Securities, when issued pursuant to and in accordance with the Agreement, will, upon such issuance and delivery, be validly issued, fully paid, and non-assessable.

8. Assuming the accuracy of the representations and warranties of the Company and Investor set forth in the Agreement, no authorization, approval or other action by, and no notice to or filing with, any United States federal or state governmental authority or regulatory body is required for the due execution, delivery or performance by the Company of any Transaction Agreement, except (i) filings pursuant to Regulation D of the Securities Act, (ii) filings on Form 8-K pursuant to the Securities and Exchange Act of 1934, as amended, and (iii) any action necessary in order to qualify the Securities under applicable securities or “Blue Sky” laws of the states of the United States, and (iv) the filing of a Certificate of Amendment to the Certificate of Incorporation to increase the authorized shares of the Company’s Common Stock to 1,100,000,000 shares of Common Stock.

9. Based in part upon the representations made by the Investor and the Company in the Agreement, the offer, sale and issuance of the Securities to the Investor on the Closing Date will be exempt from the registration requirements of the Securities Act of 1933, as amended.

10. The Company is not, and after the consummation of the transactions contemplated by the Transaction Agreements shall not be, an Investment Company within the meaning of the Investment Company Act of 1940, as amended.

In addition to the foregoing opinions, based upon the foregoing and other than as set forth in the Agreement, the Schedules attached thereto or in the SEC Documents, we supplementally confirm the following:

I. Litigation Confirmation. To our knowledge, there is no action, suit, proceeding or investigation pending or threatened against the Company that questions the validity of the Transaction Agreements or the right of the Company to enter into the Transaction Agreements. Please note that we have not conducted a docket search in any jurisdiction with respect to litigation that may be pending against the Company or any of its officers or directors, nor have we undertaken any further inquiry whatsoever other than to request the Opinion Certificate from the Company.

II. Preemptive Rights Confirmation. To our knowledge, there are no presently outstanding preemptive rights or rights to purchase from the Company any of the Securities other than (i) such rights that have been waived, and (ii) the rights to purchase such Securities pursuant to the Agreement.

III. Convertible Securities Confirmation. To our knowledge, except as otherwise set forth in the Schedules attached to the Agreement or in the SEC Documents, there are no presently outstanding warrants, options, agreements, convertible securities, or other commitments pursuant to which the Company is, or may become, obligated to issue any shares of its capital stock or other securities of the Company other than as set forth in or contemplated by the Agreement.

The opinions set forth in this letter above are further subject to and modified by the following exceptions:

a. Each of our opinions represents our opinion as to how the issue addressed in such opinion would reasonably likely be resolved were it to be considered by the highest court of the jurisdiction upon whose law our opinion on that issue is based. The manner in which any particular issue would be treated in any actual court case would depend in part on facts and circumstances particular to the case, and this letter is not intended to guarantee the outcome of any legal dispute that may arise in the future.

b. Any opinion expressed herein concerning a document is limited to the specific document referenced. No inference should be made that our opinion addresses other documents amended, modified, supplemented or referenced by, or attached to, the document which is the subject of our opinion. We have made no investigation of the accuracy or completeness of any schedule attached to any Transaction Agreements and express no opinion with respect thereto.

c. This opinion letter is limited to the matters expressly set forth herein, and no opinion is to be implied or may be inferred beyond the matters expressly so stated. In particular, we have rendered no opinion herein with respect to any: (i) Federal Reserve Board margin regulations or any usury laws or regulations; (ii) pension and employee benefit laws and regulations; (iii) federal or state antitrust and unfair competition laws and regulations; (iv) federal or state laws or regulations concerning filing or notice requirements (e.g., Hart-Scott-Rodino and Exxon-Florio); (v) compliance with fiduciary duty requirements; (vi) federal or state environmental laws or regulations; (vii) except as provided in paragraph 8 and 9 above, federal or state securities laws or regulations; (viii) federal or state racketeering laws or regulations (e.g., RICO); (ix) federal or state health and safety laws or regulations (e.g., OSHA); (x) federal or state labor laws or regulations; (xi) federal or state laws, regulations and policies concerning national emergency, possible judicial deference to acts of sovereign states and criminal and civil forfeiture laws; or (xii) any federal, state, or local tax law or regulation.

d. We express no opinion as to the effect or enforceability of any provision involving indemnification or contribution, the voting of the Company's capital stock, consent to, or establishment of, jurisdiction and/or venue, choice of law or stipulations with respect thereto, reference of matters, consent to or waiver of service of process or establishment of a method therefor, waiver of the doctrine of forum non conveniens, any savings provision, waiver of the right to attack or appeal a judgment, the non-merger of debt into a judgment, the waiver of the right to consolidate actions, the irrevocable appointment of an agent for service of process, confession of judgment, the establishment or waiver of measures of damages or methods of proof or waiver of jury trial.

e. None of the opinions in this letter covers or otherwise addresses provisions that (i) purport to limit rights of third parties who have not consented thereto or purport to grant rights to third parties, (ii) require arbitration, or (iii) prohibit or unreasonably restrict (w) competition, (x) the solicitation or acceptance of customers, business relationships or employees, (y) the use or disclosure of information, or (z) activities in restraint of trade.

f. We further assume that the parties to the Transaction Agreements and their successors and assigns will (i) act in good faith and in a commercially reasonable manner in the exercise of any rights or enforcement of any remedies under the Transaction Agreements; (ii) not engage in any conduct in the exercise of such rights or enforcement of such remedies that would constitute other than fair dealing; and (iii) comply with all requirements of applicable procedural and substantive law in exercising any rights or enforcing any remedies under the Transaction Agreements.

g. We express no opinion with respect to, and all our opinions are subject to, the effect of the compliance or noncompliance of each of you with any state or federal laws or regulations applicable to you because of your legal or regulatory status or the nature of your business or requiring you to qualify to conduct business in any jurisdiction.

h. The Transaction Agreements have been negotiated among financially sophisticated parties that have been represented by counsel and that have voluntarily executed the same on an informed basis and in the absence of fraud or duress.

This opinion letter is provided to you for your exclusive use solely in connection with the Transaction Agreements and the transactions contemplated thereby and may not be relied upon by any person other than you or for any other purpose without our prior written consent. This opinion letter may not be used, quoted, referred to, copied, published, or relied upon by, or furnished to, any other person without our prior written consent. This opinion letter speaks only as of the date hereof and to its addressees and we have no responsibility or obligation to update this opinion letter, to consider its applicability or correctness to other than its addressees, or to take into account changes in law, facts or any other developments of which we may later become aware. This opinion letter is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated.

Sincerely,

Exhibit E

Intellectual Property Legal Opinion

Pillsbury Winthrop Shaw Pittman LLP
1650 Tysons Boulevard | McLean, VA 22102-4856 | tel 703.770.7900 | fax 703.770.7901

Raj S. Davé
Tel. 703.770.7782
raj.dave@pillsburylaw.com

March 8, 2016
Liquidmetal Technology Limited
Room 906, Tai Tung Building,
8 Fleming Road
Wanchai, Hong Kong

Re: Intellectual Property Opinion

Ladies and Gentlemen:

We are writing in our capacity as outside U.S. intellectual property counsel to Liquidmetal Technologies, Inc. and its subsidiaries, Liquidmetal Golf, Crucible Intellectual Properties LLC Liquidmetal Korea Co., Ltd., Liquidmetal Technologies Korea, and Amorphous Technologies International (Asia) PTE LTD (collectively the "Company"). At its request we have been asked to provide an opinion on certain aspects of the Company's intellectual property. We understand this request is made in connection with a certain securities purchase transaction; however, we have been provided with no further information and have not seen any underlying agreements or other documentation. Therefore, this opinion is very limited in scope as stated herein and based solely on a report of the results of the investigations specifically described. This opinion cannot and should not be deemed an endorsement or comment on any aspect of the Company or any potential agreement or investments. This letter speaks only as of the date hereof. We have no responsibility or obligation to update this opinion letter or to take into account changes in law or facts or any other development of which we may later become aware. We further disclaim any obligation to advise you of facts, circumstances, events or developments which hereafter may be brought to our attention and which may alter, affect or modify the opinions expressed herein.

For purposes of this opinion, "Intellectual Property Rights" means only those assets as specifically listed and set forth on enclosed Schedule A.

We performed an online keyword search of all Federal courts in the U.S. for any litigation or proceedings with the Company's name that involve patents, copyrights, trademarks, service marks, trade names, Internet domain names, technology, know-how (including trade secrets and other unpatented and/or unpatentable proprietary rights). No report of any such legal proceedings was found. A similar search of proceedings in state and inferior courts is unavailable, and thus no report is provided or opinion expressed as to whether there might be intellectual property litigation pending in any of those courts. We have also had performed a search of the records of the U.S. Patent and Trademark Office trademark, patent maintenance fee and assignment databases to determine the current ownership and status of the Intellectual Property Rights listed on Schedule A. We confirm to the best of our knowledge that the Intellectual Property Rights listed in Schedule A is complete as per the worldwide search for patents and trademarks undertaken by a searcher at the Law Firm Of Naren Thappeta in Bangalore, India. Also, we confirm to the best of our knowledge that the Intellectual Property Rights listed in Schedule A have not lapsed for failure to pay the maintenance fees and the Intellectual Property Rights listed in Schedule A are assigned and/or licensed to Liquidmetal Technologies Inc. or its subsidiaries.

In addition to the foregoing, we inform you that we are not representing the Company in any pending or threatened action, suit or proceeding in any U.S. court or agency in which the pleadings request as relief that any of the Company's Intellectual Property Rights be declared invalid, and based upon a reasonable investigation as previously described and to the best of our actual knowledge, (i) the Company has not been accused of and we have no actual knowledge that it may be presently infringing any valid claim of any issued U.S. patent by its present methods for commercializing the Company's products, (ii) to the best of our actual knowledge there are no known infringements by others of any of the Intellectual Property Rights owned by the Company, and (iii) to the best of our actual knowledge, we are unaware of any pending legal or governmental proceedings in the United States relating to the Intellectual Property Rights (other than normal processing of any patent or trademark applications before applicable authorities).

We have no actual knowledge of any facts that would preclude the Company from having valid license rights or clear title to the Intellectual Property Rights. We also have no knowledge that the Company lacks or will be unable to obtain any rights or licenses to use all Intellectual Property Rights that are necessary to conduct its business.

Whenever a statement herein is qualified by "known to us," "to our knowledge," "we have no actual knowledge" or a similar phrase, such phrase indicates that in the course of our representation of the Company no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of the attorneys in this firm who are identified on this firm's records on the date of this opinion as having rendered legal services to the Company as its U.S. intellectual property counsel. We have not made any independent investigation to determine the accuracy of such statement, except as expressly described herein. No inference as to our knowledge of any matters bearing on the accuracy of such statement should be drawn from the fact of our representation of the Company as to other matters in which such attorneys are not involved. In rendering our opinion, we have without independent verification, relied, with respect to factual matters, statements and conclusions, on certificates, notifications and statements of governmental officials as reflected in the public records indicated and upon statements, whether written or oral, by individuals identified or known to us as duly authorized and knowledgeable officers and representatives of the Company. We further note that, as outside U.S. intellectual property counsel to the Company, we do not represent it generally and there may be facts relating to the Company and its intellectual property of which we have no knowledge.

Our opinion is further subject to and limited by the effect of (a) applicable bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, receivership, conservatorship, arrangement, moratorium and other similar laws affecting and relating to the rights of creditors generally; (b) general equitable principles; (c) requirements of reasonableness, good faith, fair dealing and materiality; and (d) Article 9 of the Uniform Commercial Code regarding restrictions on assignment or transfer of rights or the creation, attachment, perfection or enforcement of security interests.

We express no opinion as to the law of any jurisdiction other than the federal law of the United States of America, and in each case, only such law that a lawyer exercising customary professional diligence would reasonably be expected to recognize as being applicable to the Intellectual Property Rights, and excluding any law, statutes and ordinances, administrative decisions, or rules and regulations of any other country, or state, or of counties, towns, municipalities and special political subdivisions.

This letter is delivered by us as U.S. intellectual property counsel for the Company solely for your benefit in connection with the transaction referred to herein and may not be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person or entity without our prior written consent, and we expressly disclaim any responsibility or obligation to consider the applicability or correctness of this letter to any person or entity other than its named addressee.

Very truly yours,

_____

Dr. Raj S. Davé
Partner
Pillsbury Winthrop Shaw Pittman LLP

Schedule A

Patent List – US only

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
8604452	5735975	21-Feb-96			Quinary metallic glass alloys	7-Apr-98
10545123	7520944	11-Feb-04			Method of making in-situ composites comprising amorphous alloys	21-Apr-09
12968250	8445161	14-Dec-10			Current collector plates of bulk-solidifying amorphous alloys	21-May-13
13870826	8927176	25-Apr-13			Current collector plates of bulk-solidifying amorphous alloys	6-Jan-15
13091443	RE44385	11-Feb-04			Method of making in-situ composites comprising amorphous alloys	23-Jul-13
13212410	RE44425	14-Apr-04			Continuous casting of bulk solidifying amorphous alloys	13-Aug-13
13183149	RE45353	17-Jul-03			Method of making dense composites of bulk-solidifying amorphous alloys and articles thereof	27-Jan-15

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13597909	RE45414	14-Apr-04			Continuous casting of bulk solidifying amorphous alloys	17-Mar-15
13303844	RE45658	20-Jan-04			Method of manufacturing amorphous metallic foam	25-Aug-15
11577052			20090114317	7-May-09	Metallic mirrors formed from amorphous alloys	
12984440			20110162795	7-Jul-11	Amorphous alloy bonding	
13408730			20120158151	21-Jun-12	Medical implants	
12615097			20120186733	26-Jul-12	Amorphous alloys armor	
13494804			20120247622	4-Oct-12	Amorphous alloy hooks and methods of making such hooks	
13636032			20130052361	28-Feb-13	Iron-chromium-molybdenum-based thermal spray powder and method of making of the same	
13704537			20130133787	30-May-13	Tin-containing amorphous alloy	
13945176			20130299048	14-Nov-13	Au-base bulk solidifying amorphous alloys	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13532233			20130340897	26-Dec-13	High thermal stability bulk metallic glass in the zr-nb-cu-ni-al system	
14174206			20140150933	5-Jun-14	Objects made of bulk-solidifying amorphous alloys and method of making same	
8720483	5797443	30-Sep-96			Method of casting articles of a bulk-solidifying amorphous alloy	
8602899	5711363	16-Feb-96			Die casting of bulk-solidifying amorphous alloys	27-Jan-98
8702918	5772803	26-Aug-96			Torsionally reacting spring made of a bulk-solidifying amorphous metallic alloy	30-Jun-98
8683319	5896642	17-Jul-96			Die-formed amorphous metallic articles and their fabrication	27-Apr-99
8683320	5950704	18-Jul-96			Replication of surface features from a master model to an amorphous metallic article	14-Sep-99

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
8937096	6010580	24-Sep-97			Composite penetrator	4-Jan-00
9012347	6021840	23-Jan-98			Vacuum die casting of amorphous alloys	8-Feb-00
9796736	6446558	27-Feb-01			Shaped-charge projectile having an amorphous-matrix composite shaped-charge liner	10-Sep-02
10020386	6682611	30-Oct-01			Formation of Zr-based bulk metallic glasses from low purity materials by yttrium addition	27-Jan-04
10165466	6771490	7-Jun-02			Metal frame for electronic hardware and flat panel displays	3-Aug-04
10210398	6818078	31-Jul-02			Joining of amorphous metals to other metals utilizing a cast mechanical joint	16-Nov-04
10093229	6843496	7-Mar-02			Amorphous alloy gliding boards	18-Jan-05
10236792	6875293	6-Sep-02			Method of forming molded articles of amorphous alloy with high elastic limit	5-Apr-05

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
10093245	6887586	7-Mar-02			Sharp-edged cutting tools	3-May-05
10263965	7008490	2-Oct-02			Method of improving bulk-solidifying amorphous alloy compositions and cast articles made of the same	7-Mar-06
10355490	7017645	31-Jan-03			Thermoplastic casting of amorphous alloys	28-Mar-06
10442707	7073560	20-May-03			Foamed structures of bulk-solidifying amorphous alloys	11-Jul-06
10386728	7157158	11-Mar-03			Encapsulated ceramic armor	2-Jan-07
10529585	7293599	30-Sep-03			Investment casting of bulk-solidifying amorphous alloys	13-Nov-07
10534374	7500987	18-Nov-03			Amorphous alloy stents	10-Mar-09
10521424	7560001	17-Jul-03			Method of making dense composites of bulk-solidifying amorphous alloys and articles thereof	14-Jul-09

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
10552667	7575040	14-Apr-04			Continuous casting of bulk solidifying amorphous alloys	18-Aug-09
10540337	7582172	22-Dec-03			Pt-base bulk solidifying amorphous alloys	1-Sep-09
10552496	7588071	14-Apr-04			Continuous casting of foamed bulk amorphous alloys	15-Sep-09
11612328	7604876	18-Dec-06			Encapsulated ceramic armor	20-Oct-09
10573148	7618499	1-Oct-04			Fe-base in-situ composite alloys comprising amorphous phase	17-Nov-09
10542438	7621314	20-Jan-04			Method of manufacturing amorphous metallic foam	24-Nov-09
10548979	7862957	18-Mar-04			Current collector plates of bulk-solidifying amorphous alloys	4-Jan-11
11303844	7896982	16-Dec-05			Bulk solidifying amorphous alloys with improved mechanical properties	1-Mar-11
10523465	8002911	5-Aug-03			Metallic dental prostheses and objects made of bulk-solidifying amorphous alloys and method of making such articles	23-Aug-11

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
11884431	8063843	17-Feb-06			Antenna structures made of bulk-solidifying amorphous alloys	22-Nov-11
11577081	8197615	24-Oct-05			Amorphous alloy hooks and methods of making such hooks	12-Jun-12
13225747	8325100	6-Sep-11			Antenna structures made of bulk-solidifying amorphous alloys	4-Dec-12
13413483	8431288	6-Mar-12			Current collector plates of bulk-solidifying amorphous alloys	30-Apr-13
13205374	8459331	8-Aug-11			Vacuum mold	11-Jun-13
13473362	8485245	16-Jul-13			Bulk amorphous alloy sheet forming processes	16-Jul-13
11576922	8501087	17-Oct-05			Au-base bulk solidifying amorphous alloys	6-Aug-13
13185080	8679266	18-Jul-11			Objects made of bulk-solidifying amorphous alloys and method of making same	25-Mar-14

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13629936	8813813	28-Sep-12			Continuous amorphous feedstock skull melting	26-Aug-14
13631128	8813814	28-Sep-12			Optimized multi-stage inductive melting of amorphous alloys	26-Aug-14
13032375	8828155	22-Feb-11			Bulk solidifying amorphous alloys with improved mechanical properties	9-Sep-14
13692527	8830134	3-Dec-12			Antenna structures made of bulk-solidifying amorphous alloys	9-Sep-14
13208800	8858868	12-Aug-11			Temperature regulated vessel	14-Oct-14
13364128	8882940	1-Feb-12			Bulk solidifying amorphous alloys with improved mechanical properties	11-Nov-14
13198906	8936664	5-Aug-11			Crucible materials for alloy melting	20-Jan-15
13803710	8944140	14-Mar-13			Squeeze-cast molding system suitable for molding amorphous metals	3-Feb-15

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13803793	8978736	14-Mar-13			Plunger with removable plunger tip	17-Mar-15
13579855	9057120	17-Feb-11			Thermoplastic forming methods for amorphous alloy	16-Jun-15
13803745	9108243	14-Mar-13			Production of large-area bulk metallic glass sheets by spinning	18-Aug-15
29264947	D563954	21-Aug-06			Retractable memory stick	11-Mar-08
13233492	RE44426	14-Apr-04			Continuous casting of foamed bulk amorphous alloys	13-Aug-13
10524954			20060149391	6-Jul-06	Medical implants	
10565839			20070226979	4-Oct-07	High Durability Structures of Amorphous Alloy and a Method of Forming	
12984433			20110163509	7-Jul-11	Amorphous alloy seal	
13408824			20120152412	2-Jan-07	Medical implants	
14237089			20140202597	24-Jul-14	Crucible materials	
14348399			20140283959	25-Sep-14	Tamper resistant amorphous alloy joining	
14348390			20140284019	25-Sep-14	Injection molding of amorphous alloy using an injection molding system	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
14348404			20140284503	25-Sep-14	Radiation shielding structures	
14345883			20140293384	2-Oct-14	Nano- and micro-replication for authentication and texturization	
14359060			20140328714	6-Nov-14	Alloying technique for fe-based bulk amorphous alloy	
14345159			20140345754	27-Nov-14	Molding and separating of bulk-solidifying amorphous alloys and composite containing amorphous alloy	
13939939			20150013932	15-Jan-15	Unevenly spaced induction coil for molten alloy containment	
13940051			20150013933	15-Jan-15	Slotted shot sleeve for induction melting of material	
13939995			20150013959	15-Jan-15	Manifold collar for disstributing fluid through a cold crucible	
14480357			20150034213	5-Feb-15	Bulk solidifying amorphous alloys with improved mechanical properties	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
14374803			20150131694	14-May-15	Induction shield and its method of use in a system	
14350498			20150144292	28-May-15	Containment gate for inline temperature control melting	
14537384			20150202841	23-Jul-15	Amorphous metal overmolding	
14828302			20150352632	10-Dec-15	Production of Large-Area Bulk Metallic Glass Sheets by Spinning	
14266934	RE45830	1-May-14			Encapsulated ceramic armor	29-Dec-15
12805807		19-Aug-10			Precious amorphous metal and method of making such articles	
8720483	5797443	30-Sep-96			Method of casting articles of a bulk-solidifying amorphous alloy	25-Aug-98
9796736	6446558	27-Feb-01			Shaped-charge projectile having an amorphous-matrix composite shaped-charge liner	10-Sep-02
10545757		23-Feb-04	20070003782	4-Jan-07	Composite emp shielding of bulk-solidifying amorphous alloys and method of making same	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
12615097			20120186733	26-Jul-12	Amorphous alloys armor	
8963131	6685577	28-Oct-97			Golf club made of a bulk-solidifying amorphous metal	
6649070	4608319	10-Sep-84			Extended surface area amorphous metallic material	26-Aug-86
13576563			20130004786	3-Jan-13	Nickel based thermal spray powder and coating, and method for making the same	
13472759	9044805	16-May-12			Layer-by-layer construction with bulk metallic glasses	2-Jun-15
13651654			20140102661	17-Apr-14	Inline melt control via rf power	
14445531			20140332176	13-Nov-14	Inline melt control via rf power	
13628593	8701742	27-Sep-12			Counter-gravity casting of hollow shapes	22-Apr-14
14198993	9004149	6-Mar-14			Counter-gravity casting of hollow shapes	14-Apr-15

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13628542	8813816	27-Sep-12			Methods of melting and introducing amorphous alloy feedstock for casting or processing	26-Aug-14
14284471	9254521	22-May-14			Methods of melting and introducing amorphous alloy feedstock for casting or processing	9-Feb-16
13473210			20130309121	21-Nov-13	Layer-by-layer construction with bulk metallic glasses	
13630900	8813818	28-Sep-12			Melt-containment plunger tip for horizontal metal die casting	26-Aug-14
14356745			20140290901	2-Oct-14	Ingot loading mechanism for injection molding machine	
12984440			20110162795	7-Jul-11	Amorphous alloy bonding	
14513595			20150343526	3-Dec-15	Application of ultrasonic vibrations to molten liquidmetal during injection molding or die casting operations	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13631098			20140090752	3-Apr-14	Coating of bulk metallic glass (bmg) articles	
13541711			20140010259	9-Jan-14	Temperature tuned failure detection device	
13532233			20130340897	26-Dec-13	High thermal stability bulk metallic glass in the zr-nb-cu-ni-al system	
14352381			20140334106	13-Nov-14	Bulk amorphous alloy heat sink	
13704537			20130133787	30-May-13	Tin-containing amorphous alloy	
13636032			20130052361	28-Feb-13	Iron-chromium-molybdenum-based thermal spray powder and method of making of the same	
14391731			20150158080	11-Jun-15	Material containing vessels for melting material	
14373794			20150107730	23-Apr-15	Continuous alloy feedstock production mold	
13945176			20130299048	14-Nov-13	Au-base bulk solidifying amorphous alloys	
14467478			20140360695	11-Dec-14	Melt-containment plunger tip for horizontal metal die casting	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
14387046			20150289605	15-Oct-15	Fasteners of bulk amorphous alloy	
13472966			20130306199	21-Nov-13	Bulk metallic glass feedstock with a dissimilar sheath	
13472657			20130306197	21-Nov-13	Amorphous alloy component or feedstock and methods of making the same	
10534375	7412848	21-Nov-03			Jewelry made of precious a morphous metal and method of making such articles	19-Aug-08
14237093			20140297202	2-Oct-14	Nondestructive method to determine crystallinity in amorphous alloy	
14728076			20150258607	17-Sep-15	Layer-by-Layer Construction with Bulk Metallic Glasses	
14387023			20150307967	29-Oct-15	Amorphous alloy powder feedstock processing	
14387044			20150299824	22-Oct-15	Amorphous alloy roll forming of feedstock or component part	

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
14387039			20150306670	29-Oct-15	Continuous moldless fabrication of amorphous alloy ingots	
14386495			20150375296	31-Dec-15	Methods and systems for skull trapping	
14373587			20140369375	18-Dec-14	Boat and coil designs	
13939872	8820393	11-Jul-13			Bulk amorphous alloy sheet forming processes	2-Sep-14
13472056	9056353	15-May-12			Manipulating surface topology of BMG feedstock	16-Jun-15
13629947			20140090797	3-Apr-14	Vertical skull melt injection casting	
14314083			20140305932	16-Oct-14	Optimized multi-stage inductive melting of amorphous alloys	
13630873	8813817	28-Sep-12			Cold chamber die casting of amorphous alloys using cold crucible induction melting techniques	26-Aug-14
14324705	9101977	7-Jul-14			Cold chamber die casting of amorphous alloys using cold crucible induction melting techniques	11-Aug-15

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
13628573			20140087321	27-Mar-14	Active cooling regulation of induction melt process	
13628262	8833432	27-Sep-12			Injection compression molding of amorphous alloys	16-Sep-14
14488055			20150000858	1-Jan-15	Injection compression molding of amorphous alloys	
13628267	8826968	27-Sep-12			Cold chamber die casting with melt crucible under vacuum environment	9-Sep-14
14481271	9238266	9-Sep-14			Cold chamber die casting with melt crucible under vacuum environment	19-Jan-16
13628556	9004151	27-Sep-12			Temperature regulated melt crucible for cold chamber die casting	14-Apr-15
14685324	9259782		20150217368	6-Aug-15	Temperature Regulated Melt Crucible for Cold Chamber Die Casting	

Patent List - FOREIGN

JAPAN

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
2015JP-0121369		16-Jun-15	JP2016000429	17-Jan-16	Shutting in gate for inline temperature control melting	
2014JP-0139353		07-Jul-14	JP2015062952	09-Apr-15	Unevenly spaced induction coil for molten alloy containment	

KOREA

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
2009KR-0067226			KR20100133867	22-Dec-10	A tin-containing amorphous alloy composition	
2003KR-0023472		14-Apr-03	KR20040089380	21-Oct-04	A continuous casting method of bulk solidifying amorphous alloy and its strip	

CHINA

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
2015CN-0245359		01-Feb-11	CN104988447	21-Oct-15	Nickel based thermal spray powder and coating, and method for making the same	

WO (INTERNATIONAL)

Application Number	Patent Number	Filing Date	Publication Number	Publication Date	Title	Issue Date
2012WO-US34897			WO2013162532	31-Oct-13	Articles containing shape retaining wire therein	

Trademark List – US only

Mark/ Title	Application Number	Filing Date	Registration Number	Issue Date
LIQUIDMETAL	75389648	13-Nov-97	2435529	13-Mar-01
LIQUIDMETAL	75358134	16-Sep-97	2312889	1-Feb-00
LIQUIDMETAL GOLF	75351059	3-Sep-97	2494583	2-Oct-01
LIQUIDMETAL GOLF	75498778	8-Jun-98	2714787	13-May-03
LIQUIDMETAL	75434845	17-Feb-98	2435558	13-Mar-01
LIQUIDMETAL	78224925	12-Mar-03	3159720	17-Oct-06

Mark/ Title	Application Number	Filing Date	Registration Number	Issue Date
LIQUIDMETAL	78225717	14-Mar-03	3230417	17-Apr-07
PURE ENERGY, PERFECT POWER	78224935	12-Mar-03	2955613	24-May-05
LIQUIDMETAL	78507702	28-Oct-04	3610314	21-Apr-09
LIQUIDMETAL	78911296	19-Jun-06	3633282	2-Jun-09
LIQUIDMETAL	169001997	18-Feb-97	4149191	22-May-98
LIQUIDMETAL	9757058	10-Dec-97	447777	13-May-99
LIQUIDMETAL	7932001	15-Jan-01	B6279/2002	24-May-02
LIQUIDMETAL	1474461997	7-Aug-97	4496160	3-Aug-01
LIQUIDMETAL	9757059	10-Dec-97	446249	14-Apr-99

Mark/ Title	Application Number	Filing Date	Registration Number	Issue Date
LIQUIDMETAL	S11518197	15-Dec-97	T97/15181Z	15-Dec-97
LIQUIDMETAL	75184482	21-Oct-96	854224	1-Jun-99
LIQUIDMETAL	750504	8-Dec-97	750504	11-Feb-00
LIQUIDMETAL	864571	18-Dec-97	517008	24-Sep-99
LIQUIDMETAL	698977	8-Dec-97	698977	1-Sep-99
LIQUIDMETAL	169011997	18-Feb-97	4149192	22-May-98
LIQUIDMETAL GOLF	1672091997	13-Oct-97	4314788	10-Sep-99
LIQUIDMETAL	1474471997	7-Aug-97	4470501	27-Apr-01
LIQUIDMETAL	60107559		107559	3-Aug-01
LIQUIDMETAL	946649	11-Mar-03	946649	7-Dec-06
LIQUIDMETAL	1186331	08/012003	666056	14-Jun-06
LIQUIDMETAL	3091501	11-Mar-03	3091501	31-May-05
LIQUIDMETAL	300057717	4-Aug-03	300057717	4-Aug-03
LIQUIDMETAL	M0303314		183038	13-Dec-05
LIQUIDMETAL	Z268178	4-Aug-03	176076	27-Jun-06
LIQUIDMETAL	613402	6-Aug-03	843878	22-Jul-04
LIQUIDMETAL	2003715095	5-Aug-03	297443	31-Oct-05

Mark/ Title	Application Number	Filing Date	Registration Number	Issue Date
LIQUIDMETAL	5157359	23-Jun-06	5157359	29-Aug-07
LIQUIDMETAL	301217330	9-Oct-08	301217330	25-Jan-10
LIQUIDMETAL	301745000	25-Oct-10	301745000	8-Jun-11
LIQUIDMETAL	2055214	18-Nov-10		
LIQUIDMETAL	200884917	20-Oct-08	5233668	22-May-09
LIQUIDMETAL	40-2010-0053590	19-Oct-10	400923123	12-Jun-12
LIQUIDMETAL	61231/2010	19-Oct-10	643119	3-May-13
LIQUIDMETAL	1909108	14-Jan-10	1909108	6-Jan-15
LIQUIDMETAL	1909110	14-Jan-10	1909110	14-Jan-10
LIQUIDMETAL	1909109	14-Jan-10	1909109	22-Jan-15
LIQUIDMETAL	10403244	9-Nov-11	10403244	12-Jun-12
LIQUIDMETAL	2011083535	21-Nov-11	5507706	13-Jul-12
LIQUIDMETAL	12420768	14-Apr-13		
LIQUIDMETAL	12420769	14-Apr-13		
LIQUIDMETAL	86135109	4-Dec-13	4732528	5-May-15
NOW YOU CAN	2826215	13-Oct-14		
NOW YOU CAN	15960443	18-Dec-14		

Mark/ Title	Application Number	Filing Date	Registration Number	Issue Date
NOW YOU CAN	86/96701	16-Sep-14	4774297	14-Jul-15
ARMACOR	76059153	30-May-00	2636465	15-Oct-02

Trademark List - FOREIGN

Trademark List - Japan				
LIQUIDMETAL	169001997	18-Feb-97	4149191	22-May-98
LIQUIDMETAL	1474461997	7-Aug-97	4496160	3-Aug-01
LIQUIDMETAL	169011997	18-Feb-97	4149192	22-May-98
LIQUIDMETAL GOLF	1672091997	13-Oct-97	4314788	10-Sep-99
LIQUIDMETAL	1474471997	7-Aug-97	4470501	27-Apr-01
LIQUIDMETAL	200884917	20-Oct-08	5233668	22-May-09
LIQUIDMETAL	2011083535	21-Nov-11	5507706	13-Jul-12
Trademark List – South Korea				
LIQUIDMETAL	9757058	10-Dec-97	447777	13-May-99
LIQUIDMETAL	9757059	10-Dec-97	446249	14-Apr-99
LIQUIDMETAL		19-Oct-10	4020100053590	
LIQUIDMETAL	40-2010-0053590	19-Oct-10	400923123	12-Jun-12

Trademark List – Hong Kong				
LIQUIDMETAL	7932001	15-Jan-01	B6279/2002	24-May-02
LIQUIDMETAL	300057717	4-Aug-03	300057717	4-Aug-03
LIQUIDMETAL	301217330	9-Oct-08	301217330	25-Jan-10
LIQUIDMETAL	301745000	25-Oct-10	301745000	8-Jun-11
Trademark List – Singapore				
LIQUIDMETAL	S11518197	15-Dec-97	T97/15181Z	15-Dec-97
Trademark List – Taiwan				
LIQUIDMETAL	75184482	21-Oct-96	854224	1-Jun-99
Trademark List – Australia				
LIQUIDMETAL	750504	8-Dec-97	750504	11-Feb-00
LIQUIDMETAL	946649	11-Mar-03	946649	7-Dec-06
Trademark List – Canada				
LIQUIDMETAL	864571	18-Dec-97	517008	24-Sep-99
LIQUIDMETAL	1186331	08/012003	666056	14-Jun-06
LIQUIDMETAL	864571	18-Dec-97	TMA517008	
Trademark List – Europe				
LIQUIDMETAL	698977	8-Dec-97	698977	1-Sep-99
LIQUIDMETAL	3091501	11-Mar-03	3091501	31-May-05

LIQUIDMETAL	5157359	23-Jun-06	5157359	29-Aug-07
LIQUIDMETAL	10403244	9-Nov-11	10403244	12-Jun-12
Trademark List – European Union				
LIQUIDMETAL (EM)	000698977	12-Aug-97		09-Jan-97
LIQUIDMETAL (EM)	010403244	12-Jun-12		
LIQUIDMETAL (EM)	005157359	23-Jun-06		29-Aug-07
LIQUIDMETAL (EM)	003091501	11-Mar-03		31-May-05
LIQUIDMETAL (EM)	005157359	23-Jun-06		
LIQUIDMETAL (EM)	003091501	11-Mar-03	003091501	
LIQUIDMETAL (EM)			000830695	
Trademark List – Hungary				
LIQUIDMETAL	M0303314		183038	13-Dec-05
Trademark List – Mexico				
LIQUIDMETAL	0613402	06-Aug-03	843878	
LIQUIDMETAL	613402	6-Aug-03	843878	22-Jul-04
Trademark List – Russia				
LIQUIDMETAL		26-Oct-11	2011735065	
LIQUIDMETAL	2003715095	5-Aug-03	297443	31-Oct-05

Trademark List – Poland				
LIQUIDMETAL	Z268178	4-Aug-03	176076	27-Jun-06
Trademark List – India				
LIQUIDMETAL	2055214	18-Nov-10		
LIQUIDMETAL	1909108	14-Jan-10	1909108	6-Jan-15
LIQUIDMETAL	1909110	14-Jan-10	1909110	14-Jan-10
LIQUIDMETAL	1909109	14-Jan-10	1909109	22-Jan-15
NOW YOU CAN	2826215	13-Oct-14		
Trademark List – Switzerland				
LIQUIDMETAL	61231/2010	19-Oct-10	643119	3-May-13
Trademark List – China				
LIQUIDMETAL	12420768	14-Apr-13		
LIQUIDMETAL	12420769	14-Apr-13		
NOW YOU CAN	15960443	18-Dec-14		
Trademark List – Others				
LIQUIDMETAL	T9715181Z	15-Dec-97		15-Dec-97
LIQUIDMETAL	T9715180A	15-Dec-97		
LIQUIDMETAL	86135109	4-Dec-13	4732528	5-May-15

NOW YOU CAN	86/96701	16-Sep-14	4774297	14-Jul-15
ARMACOR	76059153	30-May-00	2636465	15-Oct-02

DISCLOSURE SCHEDULES

The following are the schedules of Liquidmetal Technologies, Inc. (the "***Company***") referenced in the Securities Purchase Agreement by and among the Company and Liquidmetal Technology Limited (the "***Agreement***"). Any information disclosed in any schedule shall be deemed disclosed and incorporated into any other sections or schedule under the Agreement where the applicability of such disclosure is reasonably apparent from a reading of the disclosure. Any terms defined in the Agreement shall have the same meaning when used in the schedules as when used in the Agreement. The inclusion of any item hereunder shall not be deemed to be an admission by the Company that such item is material to the business, assets, results of operations, prospects or affairs of the Company, unless such materiality is specified in the representation or warranty for which such disclosure is being made, nor shall it be deemed an admission of an obligation or liability to any third party. Nothing set forth herein shall be deemed to expand the representations and warranties of the Company set forth in Section 3 of the Agreement.

Schedule 3(a)
(List of Subsidiaries)

- Liquidmetal Golf
- Crucible Intellectual Property, LLC

Schedule 3(c)
(Fully diluted shares)

	Authorized Shares	Actual options issued	Fully Diluted Shares (after transaction)
Common Stock	477,149,485		477,149,485
Visser warrants o/s	18,937,931		18,937,931
Kingsbrook warrants o/s	17,572,000		17,572,000
2002 stock options authorized	822,000	822,000	822,000
2012 stock options authorized	30,000,000	25,988,734	25,988,734
2015 stock options authorized	40,000,000	30,800,000	30,800,000
Lugee shares (tranche 1)	105,000,000		105,000,000
Lugee shares (tranche 2/3)			300,000,000
Remaining	10,518,584		
Total	**700,000,000**	**57,610,734**	**976,270,150**

Schedule 3(g)
(SEC filing delays)

None.

Schedule 3(h)
(Material adverse change)

None.

Schedule 3(i)
(Litigation)

None.

Schedule 3(j)
(Intellectual property infringement)

None.

Schedule 3(l)
(Tax Audits)

None.

Schedule 3(m)
(Certain transactions)

None.

Schedule 3(bb)
(Subsidiaries, Joint Ventures, License Agreement)

- Apple License
- Visser Precision Cast License
- LLPG License
- IMG License
- Swatch License
- Liquidmetal Golf License
- Liquidmetal Coatings License
- Engel License

Schedule 3(dd)
(Secured and Unsecured debt)

- $700,000 Line of Credit with City National Bank

Schedule 3(ff)
(Registration Rights)

Amended and Restated Registration Rights Agreement, dated May 20, 2014, between Liquidmetal Technologies, Inc. and Visser Precision Cast, LLC.

Exhibit 10.2

PARALLEL LICENSE AGREEMENT

This Parallel License Agreement ("Agreement") is entered into as of March 10, 2016 (the "**Effective Date**"), by and between DongGuan Eontec Co., Ltd., a corporation organized under the laws of the People's Republic of China having an address of Yin Quan Industrial District, Qing Xi, DongGuan, China ("**Eontec**"), and Liquidmetal Technologies, Inc., a corporation organized under the laws of the State of Delaware, having an address of 30452 Esperanza, Rancho Santa Margarita, California 92688 ("**LMT**"). Either Eontec or LMT may be referred to individually herein as a "party", and Eontec and LMT may be referred to collectively herein as the "Parties".

RECITALS

WHEREAS, Eontec and LMT have expressed a desire to agree to the terms set forth herein and are memorializing such terms as set forth in this Agreement.

NOW THEREFORE, the Parties hereby agree as follows:

ARTICLE 1

CERTAIN DEFINITIONS

For purposes of this Agreement and except as otherwise specifically set forth herein, the following terms shall have the following meanings:

1.1. **"Affiliate"** shall mean, with respect to any specified person or entity, any corporation, limited liability company or other legal entity which directly or indirectly controls, is controlled by, or is under common control with specified person or entity or its successors or assigns. For the purposes of this Agreement, "control" shall mean the direct or indirect ownership of more than fifty percent (50%) of the outstanding shares on a fully diluted basis or other voting rights of the specified entity to elect directors or managers, or the right to direct or cause the direction of the management and policies of the specified entity whether by contract or otherwise; and the terms "controlling" and "controlled" have meaning correlative to the foregoing. For purposes of this Agreement, Eontec and Lugee Li shall not be deemed to be Affiliates of LMT. Additionally, the following organizations shall be deemed to be Affiliates of Eontec for purposes of this Agreement: Meon Magnesium Technology Company ("**Meon**") and Liquidmetal China Company ("**LCC**").

1.2. "**BMG Products**" means any product or component made with one or more amorphous alloys or bulk metallic glasses (or composite materials containing amorphous alloys or bulk metallic glasses).

1.3. "**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to be closed for business.

1.4. **"Confidential Information"** shall mean any and all commercial, technical, financial, proprietary, and other information relating to a Discloser, its Affiliates, and their respective business operations, including, but not limited to, samples, data, technical information, know-how, formulas, ideas, inventions, discoveries, patents, patent applications, Intellectual Property, product development plans, demonstrations, business and financial information, applications and designs, and all manifestations or embodiments relating to the foregoing and all improvements made thereto, in whatever form provided, whether oral, written, visual, machine-readable, electronic, or otherwise. "Confidential Information" also includes any information described above which a Discloser obtains from a third party and which the Discloser treats as proprietary or designates as confidential, whether or not owned or developed by the Discloser.

1.5. **"Discloser"** shall mean the party that is disclosing Confidential Information under this Agreement, regardless of whether such Confidential Information is being provided directly by such party, by a Representative of the party, or by any other person that has an obligation of confidentiality with respect to the Confidential Information being disclosed.

1.6. **"Eontec Exclusive Territory"** shall consist of the following countries: Brunei, Cambodia, China (P.R.C and R.O.C.), East Timor, Indonesia, Japan, Laos, Malaysia, Myanmar, North Korea, Philippines, Singapore, South Korea, Thailand and Vietnam.

1.7. **"Eontec Field"** shall mean all fields of use except as described in the Field of Use Restrictions.

1.8. **"Eontec Licensed Patents"** shall mean any and all Patents of Eontec or any Affiliate of Eontec in existence as of the Effective Date, including without limitation those listed in Appendix B, and those Patents of Eontec or any Affiliate thereof for any invention that is first created, conceived, or reduced to practice during the period beginning on the Effective Date and ending of the last day of the Joint Development Period.

1.9. **"Eontec Licensed Products"** shall mean any product the manufacture, use, offer for sale, sale or importation of which by Eontec would, but for this Agreement, infringe a valid claim of an LMT Licensed Patent in a jurisdiction where such valid claim exists or that incorporates or uses any element of the LMT Licensed Technical Information in its design or manufacture.

1.10. **"Eontec Licensed Technical Information"** shall mean unpublished research and development information, unpatented inventions, know-how, trade secrets, and technical data now, or hereafter through the end of the Joint Development Period, in the possession of Eontec that are reasonably necessary or useful for using the Eontec Licensed Patents to produce LMT Licensed Products within the LMT Field, provided Eontec has the right to disclose such items to LMT.

1.11. "**Eontec Licensed Trademarks**" shall mean any and all trademarks, service marks, trade names, corporate names, logos, trade dress, domain names or any other indicator of source or origin of Eontec or any Affiliate of Eontec in existence as of the Effective Date, including without limitation those listed in Appendix B.

1.12. "**Field of Use Restrictions**" means the exclusions, conditions, limitations, and restrictions described on Appendix C hereto.

1.13. **"Intellectual Property"** means any and all inventions (whether or not protected or protectable under patent laws), works of authorship, information fixed in any tangible medium of expression (whether or not protected or protectable under copyright laws), moral rights, trademarks, trade secrets, developments, designs, applications, processes, know-how, discoveries, ideas (whether or not protected or protectable under trade secret laws), and all other subject matter protected or protectable under patent, copyright, moral right, trademark, trade secret, or other laws, including, without limitation, all new or useful art, combinations, formulae, manufacturing techniques, technical developments, applications, data, and research results.

1.14. "**Joint Development Period**" has the meaning set forth in Section 5.1 below.

1.15. "**Licensed Patent**" means an Eontec Licensed Patent or LMT Licensed Patent.

1.16. "**Licensed Product**" means an Eontec Licensed Product or LMT Licensed Product.

1.17. **"Licensed Technical Information"** shall mean any Eontec Licensed Technical Information or LMT Licensed Technical Information.

1.18. **"Licensee"** shall mean a party to this Agreement acting in its capacity as the grantee of a license pursuant to Article 2 hereof.

1.19. **"Licensor"** shall mean a party to this Agreement acting in its capacity as a grantor of a license pursuant to Article 2 hereof.

1.20. "**Licensed Trademark**" shall mean any Eontec Licensed Trademark or LMT Licensed Trademark.

1.21. **"LMT Exclusive Territory"** shall consist of the following countries the United States and the rest of North America and all of Europe, including the following countries: Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Republic of Macedonia, Malta, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

1.22. **"LMT Field"** shall mean all fields of use except as described in the Field of Use Restrictions.

1.23. **"LMT Licensed Patents"** shall mean any and all Patents of LMT or any Affiliate of LMT in existence as of the Effective Date in the Eontec Exclusive Territory and Non-Exclusive Territories, including without limitation the applicable foreign counterpart patents of those U.S. Patents listed in Appendix A, and those Patents of LMT or any Affiliate thereof in the Eontec Exclusive Territory and Non-Exclusive Territories for any invention that is first created, conceived, or reduced to practice during the period beginning on the Effective Date and ending of the last day of the Joint Development Period.

1.24. **"LMT Licensed Products"** shall mean any product the manufacture, use, offer for sale, sale or importation of which by LMT would, but for this Agreement, infringe a valid claim of an Eontec Licensed Patent in a jurisdiction where such valid claim exists or that incorporates or uses any element of the Eontec Licensed Technical Information in its design or manufacture.

1.25. **"LMT Licensed Technical Information"** shall mean unpublished research and development information, unpatented inventions, know-how, trade secrets, and technical data now, or hereafter through the end of the Joint Development Period, in the possession of LMT that are reasonably necessary or useful for using the LMT Licensed Patents to produce Eontec Licensed Products within the Eontec Field, provided LMT has the right to disclose such items to Eontec.

1.26. "**LMT Licensed Trademarks**" shall mean any and all trademarks, service marks, trade names, corporate names, logos, trade dress, domain names or any other indicator of source or origin of LMT or any Affiliate of LMT in existence as of the Effective Date, including without limitation those listed in Appendix A.

1.27. "**Non-Exclusive Territories**" means geographic regions outside of the LMT Exclusive Territory and Eontec Exclusive Territory.

1.28. **"Patents"** shall mean any and all letters patent (including, but not limited to, patents of implementation, improvement, or addition, utility model and appearance design patents, and inventors certificates, as well as all divisionals, reissues, reexaminations, continuations, continuations-in-part, renewals, extensions, substitutions, foreign equivalents and counterparts, and any other forms of patent protection directed to the inventions covered by any of the foregoing), applications for letters patent (including, but not limited to, all foreign counterpart patent applications), and letters patent that may issue on such applications.

1.29. "**Purchase Agreement**" means that certain Securities Purchase Agreement, dated as of the Effective Date, between LMT and Liquidmetal Technology Limited, a Hong Kong corporation.

1.30. **"Recipient"** shall mean the party receiving Confidential Information that is protected under this Agreement.

1.31. **"Representatives"** shall mean the respective directors, officers, employees, financial advisors, accountants, attorneys, agents, and consultants of a party.

1.32. **"Technologies"** shall mean the certain respective technologies licensed by the Parties hereunder.

1.33. "**Trademarks**" shall mean any and all trademarks, service marks, trade names, corporate names, logos, trade dress, domain names or any other indicator of source or origin.

ARTICLE 2

PATENT LICENSE GRANT AND RELATED COVENANTS

2.1. **Patent License Grant to Eontec**. Upon the terms and conditions set forth herein (including the termination provisions in Article 7 hereof) and subject to the Field of Use Restrictions, LMT hereby grants to Eontec a non-revocable, paid-up, royalty-free, perpetual license (or sublicense, as the case may be) to the LMT Licensed Patents and LMT Licensed Technical Information to make, have made, use, offer to sell, sell, export and import Eontec Licensed Products within the Eontec Field in the Eontec Exclusive Territory and Non-Exclusive Territories. Such license shall be exclusive to Eontec (including to the exclusion of LMT and its Affiliates) in the Eontec Exclusive Territory and shall be non-exclusive in the Non-Exclusive Territories. Notwithstanding the foregoing, nothing in this Agreement shall prohibit Eontec from engaging in research or development activities in the LMT Exclusive Territory.

2.2. **Patent License Grant to LMT**. Upon the terms and conditions set forth herein (including the termination provisions in Article 7 hereof) and subject to the Field of Use Restrictions, Eontec hereby grants to LMT a non-revocable, paid-up, royalty-free, perpetual license (or sublicense, as the case may be) to the Eontec Licensed Patents and Eontec Licensed Technical Information to make, have made, use, offer to sell, sell, export and import LMT Licensed Products within the LMT Field in the LMT Exclusive Territory and Non-Exclusive Territories. Such license shall be exclusive to LMT (including to the exclusion of Eontec and its Affiliates) in the LMT Exclusive Territory and shall be non-exclusive in the Non-Exclusive Territories. Notwithstanding the foregoing, nothing in this Agreement shall prohibit LMT from engaging in research or development activities in the Eontec Exclusive Territory.

2.3. **Territories**. Eontec shall take such action and measures as shall be necessary to ensure that Eontec Licensed Products are not sold or resold in or into the LMT Exclusive Territory by Eontec or any other party in the chain of distribution (whether as a part of a finished product assembled or produced by a third party or otherwise) without first obtaining the prior written consent of LMT. LMT shall take such action and measures as shall be necessary to ensure that LMT Licensed Products are not sold or resold in or into the Eontec Exclusive Territory by LMT or any other party in the chain of distribution (whether as a part of a finished product assembled or produced by a third party or otherwise) without first obtaining the prior written consent of Eontec.

2.4. **Sublicensing**. The licenses set forth in this Agreement shall exclude the right to sublicense except for the following: (i) sublicenses as to which the Licensor provides prior written consent to the sublicense, (ii) sublicenses to Affiliates of the Licensee, provided that such Affiliates shall expressly agree to be bound by the terms of this Agreement and the Licensee shall be responsible for such compliance and liable for noncompliance by the Affiliate, (iii) sublicenses granted to contract manufacturers solely for the Licensee solely for purposes of manufacturing Licensed Products for Licensee, provided that any such contract manufacturer agrees in writing to comply with Article 7 hereof as though the contract manufacturer was the Licensee hereunder and such writing expressly provides that Licensor may enforce the same, and (iii) sublicenses defined by product or industry that are granted by Licensor to a third party for the purpose of enabling the third party to manufacture or distribute BMG Products and provided that the third party agrees to comply with the terms of this Agreement (including the territorial restrictions and limitations herein) ("**Customer Sublicenses**"), but excluding any such sublicense to a military entity or for a military use or any license to a governmental entity or to a commercial entity that is owned or controlled by governmental entity.

2.5. **Patent Marking**. Each party in its capacity as Licensee (and each of its permitted sublicensees) shall comply with the patent marking provisions of 35 USC § 287(a) by marking all Licensed Products with the word "patent" or the abbreviation "pat." and either the numbers of the relevant Licensed Patents or a web address that is freely accessible to the public and that associates the Licensed Products with the relevant Licensed Patents.

2.6. **Regulatory Compliance**. Each party in its capacity as a Licensee (and each of its permitted sublicensees) shall, at Licensee's expense, comply with all regulations and safety standards concerning Licensed Products developed and commercialized by or under the authority of Licensee and obtain all necessary governmental approvals for the development, production, distribution, sale and use of Licensed Products developed and commercialized by or under the authority of Licensee, including any safety studies. Licensee shall have responsibility for and provide suitable warning labels, packaging and instructions as to the use for such Licensed Products.

2.7. **U.S. Export Laws**. Neither Licensee nor any permitted sublicensee thereof will, directly or indirectly, export (including any "deemed export"), nor re-export (including any "deemed re-export") the Licensed Products (including any associated products, items, articles, computer software, media, services, technical data, and other information) in violation of any applicable United States laws, rules, or regulations. For the purposes hereof, the terms "deemed export" and "deemed re-export" have the meanings set forth in Section 734.2(b)(2)(ii) and Section 734.2(b)(4), respectively, of the Export Administration Regulations (EAR) (15 CFR §§ 734.2(b)(2)(ii) and 734.2(b)(4)).

2.8. **Recordation of License**. If recordation of this Agreement or any part of it by a national or supranational agency is necessary for a party hereto to fully enjoy the rights, privileges and benefits of this Agreement, each party in its capacity as a Licensee may at its own expense record this Agreement or all such parts of this Agreement and information concerning the license granted hereunder with each such appropriate national or supranational patent agency. Licensee shall (a) provide to Licensor for Licensor's review and approval all documents or information it proposes to record at least fifteen (15) days prior to the recordation thereof, and (b) promptly notify Licensor with verification of Licensee's recordation or any related agency ruling.

2.9. **Prosecution of Patents**. For each patent and patent application included as a Licensed Patent, the applicable Licensor shall be responsible for the preparation, filing, prosecution, and maintenance thereof, and shall notify Licensee of any new patent application filings or decisions to abandon any patent applications or patents included as a Licensed Patent, as further described in Sections 2.9(a) and 2.9(b).

(a) **Foreign Filing in the Eontec Exclusive Territory**. LMT shall, at its own expense, be responsible for the filing, prosecution, and maintenance of the LMT Licensed Patents. LMT will keep Eontec informed with respect to changes in status of any LMT Licensed Patents in the Eontec Exclusive Territory, and will, upon request by Eontec, provide a current status of any of the LMT Licensed Patents in the Eontec Exclusive Territory. In the event that LMT elects to abandon or not pursue any LMT Licensed Patents in the Eontec Exclusive Territory by not taking an action for which there is a deadline (e.g., a response deadline, a maintenance fee or annuity deadline, a foreign filing deadline, etc.), LMT shall inform Eontec at least sixty (60) days prior to the such deadline, in which case Eontec may take over responsibility for such LMT Licensed Patents at its own expense and using patent counsel of its choice. For example, in a case where LMT has filed a first patent application in a first jurisdiction (e.g., the United States) and there is an impending deadline for filing any corresponding applications in other jurisdictions, LMT shall notify Eontec at least sixty (60) days prior to such deadline of the countries in the Eontec Exclusive Territory in which LMT will pursue patent protection so as to provide Eontec an opportunity to notify LMT of its election to pursue protection in other countries within the Eontec Exclusive Territory where LMT will not pursue protection.

(b) **Foreign Filing in the LMT Exclusive Territory**. Eontec shall, at its own expense, be responsible for the filing, prosecution, and maintenance of the Eontec Licensed Patents. Eontec will keep LMT informed with respect to changes in status of any Eontec Licensed Patents in the LMT Exclusive Territory, and will, upon request by LMT, provide a current status of any of the Eontec Licensed Patents in the LMT Exclusive Territory. In the event that Eontec elects to abandon or not pursue any Eontec Licensed Patents in the LMT Exclusive Territory by not taking an action for which there is a deadline (e.g., a response deadline, a maintenance fee or annuity deadline, a foreign filing deadline, etc.), Eontec shall inform LMT at least sixty (60) days prior to the such deadline, in which case LMT may take over responsibility for such Eontec Licensed Patents at its own expense and using patent counsel of its choice. For example, in a case where Eontec has filed a first patent application in a first jurisdiction (e.g., the United States) and there is an impending deadline for filing any corresponding applications in other jurisdictions, Eontec shall notify LMT at least sixty (60) days prior to such deadline of the countries in the LMT Exclusive Territory in which Eontec will pursue patent protection so as to provide LMT an opportunity to notify Eontec of its election to pursue protection in other countries within the LMT Exclusive Territory where Eontec will not pursue protection.

2.10. **Other Covenants**. Each party, in its capacity as a Licensee, will not (and will cause its permitted sublicensees not to) institute or actively participate as an adverse party in, or otherwise provides material support to, any action, suit or other proceeding to invalidate or limit the scope of any Licensed Patent claim or obtain a ruling that any Licensed Patent claim is unenforceable or not patentable. In addition, neither party will (and each will cause its permitted sublicenses not to) engage in any activity, or lend material support to any activity, anywhere in the world, that would constitute a violation of the Intellectual Property rights of the other party.

2.11. **Enforcement of Rights**.

(a) **Infringement in Non-Exclusive Territories.**

(i) Subject to Section 2.11(a)(iii) below, Licensor has the sole right and discretion to prevent or abate any actual or threatened misappropriation or infringement and attempt to resolve any claims relating to the Licensor's Licensed Patents, Licensed Trademarks and Licensed Technical Information in the Non-Exclusive Territories, including by (a) prosecuting or defending any opposition, derivation, interference, declaratory judgment, federal district court, US International Trade Commission or other proceeding of any kind, and (b) taking any other lawful action that Licensor, in its sole discretion, believes is reasonably necessary, to protect, enforce or defend any Licensed Patent, Licensed Trademark or Licensed Technical Information in the Non-Exclusive Territories. Licensor has the right to prosecute or defend any such proceeding in Licensor's own name or, if required by applicable law or otherwise necessary or desirable for such purposes, in the name of Licensee and may join Licensee as a party. Licensor shall bear its own costs and expenses in all such proceedings and have the right to control the conduct thereof and be represented by counsel of its own choice therein.

(ii) Each party in its capacity as a Licensee shall and hereby does irrevocably and unconditionally waive any objection to Licensor's joinder of Licensee to any proceeding described in Section 2.11(a) on any grounds whatsoever, including on the grounds of personal jurisdiction, venue or forum non conveniens. If Licensor brings or defends any such proceeding, Licensee shall cooperate in all respects with Licensor in the conduct thereof, and assist in all reasonable ways, including having its employees testify when requested and make available for discovery or trial exhibit relevant records, papers, information, samples, specimens, and the like, subject to Licensor's reimbursement of any out-of-pocket expenses incurred on an on-going basis by Licensee in providing Licensee such assistance.

(iii) Notwithstanding anything in this Agreement to the contrary, in order to comply with Section 2.6 of the Crucible License Agreement (as defined below), LMT and Eontec (and their permitted sublicensees, successors, and assigns) hereby grant to Crucible and reserve for Crucible (A) the right to take any and all actions necessary to defend the LMT Technology (as defined below) in any litigation or administrative proceedings in which Eontec or any permitted sublicensee, successor, or assign is a party and (B) the right to take any and all actions necessary to defend the LMT Technology in any ligiation or administrative proceedings in which Eontec or any permitted sublicensee, successor, or assign is a party. Crucible is an intended third-party beneficiary of this paragraph. For purposes of this paragraph, the term "**Crucible**" means Crucible Intellectual Property, LLC, a Delaware limited liability company, and "**Crucible License Agreement**" means the Exclusive License Agreement, dated August 5, 2010, between LMT and Crucible. Solely for purposes of this paragraph and not for any other purpose in this Agreement, "**LMT Technology**" has the meaning set forth in the Master Transaction Agreement, dated August 5, 2010, among Apple Inc., LMT, Crucable, and Liquidmetal Coatings, LLC, as amended.

(b) **Infringement in the Eontec Exclusive Territory.** Eontec shall have the sole right to prevent or abate any actual or threatened misappropriation or infringement and attempt to resolve any claims relating to the LMT Licensed Patents, LMT Licensed Trademarks and LMT Licensed Technical Information in the Eontec Exclusive Territory, including by (a) prosecuting or defending any opposition, derivation, interference, declaratory judgment, federal district court, US International Trade Commission or other proceeding of any kind, and (b) taking any other lawful action that Eontec, in its sole discretion, believes is reasonably necessary, to protect, enforce or defend any LMT Licensed Patent, LMT Licensed Trademark or LMT Licensed Technical Information in the Eontec Exclusive Territory. LMT agrees to join as a party plaintiff in any such lawsuit initiated by Eontec and to cooperate with Eontec in Eontec's prosecution, if requested by Eontec, with all reasonable costs, attorney fees, and expenses to be paid by Eontec.

(c) **Infringement in the LMT Exclusive Territory**. LMT shall have the sole right to prevent or abate any actual or threatened misappropriation or infringement and attempt to resolve any claims relating to the Eontec Licensed Patents, Eontec Licensed Trademarks and Eontec Licensed Technical Information in the LMT Exclusive Territory, including by (a) prosecuting or defending any opposition, derivation, interference, declaratory judgment, federal district court, US International Trade Commission or other proceeding of any kind, and (b) taking any other lawful action that Eontec, in its sole discretion, believes is reasonably necessary, to protect, enforce or defend any Eontec Licensed Patent, Eontec Licensed Trademark or Eontec Licensed Technical Information in the LMT Exclusive Territory. Eontec agrees to join as a party plaintiff in any such lawsuit initiated by LMT and to cooperate with LMT in LMT's prosecution, if requested by LMT, with all reasonable costs, attorney fees, and expenses to be paid by LMT.

(d) **Recovery.** Each Licensee shall be entitled to any recovery of damages resulting from a lawsuit brought by it pursuant to Sections 2.11(d) and (e). Licensor shall be entitled to recovery of damages resulting from any lawsuit brought by Licensor to enforce any Licensed Patent, Licensed Trademark or Licensed Technical Information, pursuant to Section 2.11(a).

ARTICLE 3

TRADEMARK LICENSE GRANT

3.1. **Trademark License Grant to Eontec**. Upon the terms and conditions set forth herein (including the termination provisions in Article 7 hereof) and subject to the Field of Use Restrictions, LMT hereby grants to Eontec and its Affiliates a perpetual royalty-free, fully paid up, non-transferable license (or sublicense, as the case may be, to the extent permitted under this Agreement) to use the LMT Licensed Trademarks in the Eontec Exclusive Territory and Non-Exclusive Territories solely in connection with the marketing and sale of the Eontec Licensed Products in the Eontec Field. Such license will be exclusive to Eontec (including to the exclusion of LMT and its Affiliates) in the Eontec Exclusive Territory and shall be non-exclusive in the Non-Exclusive Territories. Eontec and its permitted sublicensees hereunder will comply with the following restrictions with respect to its use of the LMT Licensed Trademarks: (i) all stylized use of the LMT Licensed Trademarks shall be solely in the original logotype identified by LMT, except as otherwise agreed in writing by LMT, (ii) the LMT Licensed Trademarks will not be affixed to products other than the Eontec Licensed Products, (iii) Eontec and its permitted sublicensees will not utilize the LMT Licensed Trademarks to refer to any materials other than amorphous metal alloys or composite materials included within the technology licensed by LMT hereunder, (iv) Eontec and any permitted sublicensee agrees not to modify LMT Licensed Trademarks or change the appearance of any stylized or logo form of the LMT Licensed Trademarks, (v) Eontec and all permitted sublicensees will comply with any reasonable trademark usage guidelines or restrictions that may be promulgated and delivered to Eontec in writing, and (vi) Eontec and any permitted sublicensee agrees not to take any other action that would be reasonably expected to undermine the enforceability of the LMT Licensed Trademarks.

3.2 **Trademark License Grant to LMT**. Upon the terms and conditions set forth herein (including the termination provisions in Article 7 hereof) and subject to the Field of Use Restrictions, Eontec hereby grants to LMT and its Affiliates, a perpetual, royalty-free, fully paid up, non-transferable license (or sublicense, as the case may be, to the extent permitted under this Agreement) to use the "Eontec" trademark in the LMT Exclusive Territory and Non-Exclusive Territories solely in connection with the marketing and sale of the Eontec Licensed Products in the LMT Field. Such license shall be exclusive to LMT (including to the exclusive of Eontec and its Affiliates) in the LMT Exclusive Territory and shall be non-exclusive in the Non-Exclusive Territories. LMT and its permitted sublicensees hereunder will comply with the following restrictions with respect to its use of the Eontec Licensed Trademarks: (i) all stylized use of the Eontec Licensed Trademarks shall be solely in the original logotype identified by Eontec, except as otherwise agreed in writing by Eontec, (ii) the Eontec Licensed Trademarks will not be affixed to products other than the LMT Licensed Products, (iii) LMT and its permitted sublicensees will not utilize the Eontec Licensed Trademarks to refer to any materials other than amorphous metal alloys or composite materials included within the technology licensed by Eontec hereunder, (iv) LMT and any permitted sublicensee agrees not to modify Eontec Licensed Trademarks or change the appearance of any stylized or logo form of the Eontec Licensed Trademarks, (v) LMT and all permitted sublicensees will comply with any reasonable trademark usage guidelines or restrictions that may be promulgated and delivered to LMT in writing, and (vi) LMT and any permitted sublicensee agrees not to take any other action that would be reasonably expected to undermine the enforceability of the Eontec Licensed Trademarks.

3.3 **Registration and Maintenance of Trademarks.** Licensor shall seek, obtain and, during the Term of this Agreement, maintain in its own name and at its own expense, appropriate protection for the Trademarks in the Exclusive and Non-Exclusive Territories. In the event that Licensor does not seek or obtain trademark protection for a particular item in the Licensee's Exclusive Territory for which Licensee believes such protection is necessary, Licensee, at its own expense, shall have the right to seek such protection in the name of Licensor in Licensee's Exclusive Territory in the name of Licensor.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

4.1. **Representations and Warranties by Eontec**. Eontec hereby represents and warrants to LMT as follows:

(a) Eontec or its Affiliates owns or possesses the requisite licenses or rights to use the Eontec Licensed Patents and Eontec Licensed Technical Information, and to grant the licenses granted herein, free and clear of all liens, claims, and encumbrances.

(b) None of the Eontec Licensed Patents or Eontec Licensed Technical Information infringes or results from the misappropriation of any Intellectual Property of any third person.

(c) Eontec is a corporation duly organized, validly existing and in good standing under the laws of the Peoples Republic of China and has all requisite corporate or similar power and authority to enter into this Agreement and to carry out and perform its obligations hereunder. All company action on the part of Eontec and its officers, directors, or stockholders necessary for the authorization, execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby has been taken. Assuming that this Agreement constitute the legal, valid and binding agreements of LMT, this Agreement constitutes or will when executed, as applicable, constitute a legal, valid and binding obligation of Eontec, enforceable against Eontec in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or fraudulent conveyance and similar laws relating to or affecting creditors generally or by general equity principles, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

4.2. **Representations and Warranties by LMT**. LMT hereby represents and warrants to Eontec as follows:

(a) LMT or its Affiliates owns or possesses the requisite licenses or rights to use the LMT Licensed Patents and LMT Licensed Technical Information, and to grant the licenses granted herein, free and clear of all liens, claims, and encumbrances.

(b) None of the LMT Licensed Patents or LMT Licensed Technical Information infringes or results from the misappropriation of any Intellectual Property of any third person.

(c) LMT is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate or similar power and authority to enter into this Agreement and to carry out and perform its obligations hereunder. All company action on the part of LMT and its officers, directors, or stockholders necessary for the authorization, execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby has been taken. Assuming that this Agreement constitute the legal, valid and binding agreements of Eontec, this Agreement constitutes or will when executed, as applicable, constitute a legal, valid and binding obligation of LMT, enforceable against LMT in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or fraudulent conveyance and similar laws relating to or affecting creditors generally or by general equity principles, including without limitation concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

ARTICLE 5

TECHNOLOGY DEVELOPMENT AND DERIVATIVES

5.1. **Technology Development**. The Parties will work together to jointly improve and further develop the Technologies for a period of five (5) years ("**Joint Development Period**"). The scope and nature of such joint efforts, and the respective responsibilities of the parties in connection therewith, will be set forth in one or more mutually agreeable development agreements or other similar agreements to be entered into by the Parties ("**Development Agreements**").

5.2. **Improvements and Derivatives**. Unless otherwise specified in the applicable Development Agreement, all improvements and further developments of the Technologies by the parties during the Joint Development Period ("**Derivative Technologies**") will be owned and licensed as follows: (i) technologies developed solely by one party will be owned by that party, but shall be included as a Licensed Patent or Licensed Technical Information (as the case may be) hereunder, and (ii) technologies developed jointly by the Parties will be jointly owned by the Parties but shall be included as a Licensed Patent or Licensed Technical Information (as the case may be) hereunder. Notwithstanding the foregoing, all derivatives of a party's Trademarks shall be owned exclusively by that party.

ARTICLE 6

NO WARRANTIES

EXCEPT FOR THE SPECIFIC PROVISIONS OF THIS AGREEMENT, EACH PARTY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES REGARDING THE TECHNOLOGY LICENSED HEREUNDER, WHETHER EXPRESS, IMPLIED, STATUTORY, OR ARISING OUT OF CUSTOM OR TRADE USAGE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. NOTHING IN THIS AGREEMENT SHALL BE DEEMED TO BE A REPRESENTATION OR WARRANTY BY LICENSOR OF THE ACCURACY, SAFETY, OR USEFULNESS FOR ANY PURPOSE OF ANY TECHNICAL INFORMATION, TECHNIQUES, OR PRACTICES AT ANY TIME MADE AVAILABLE BY LICENSOR. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY LICENSOR OR LICENSOR'S AUTHORIZED REPRESENTATIVES SHALL CREATE A WARRANTY OR REPRESENTATION. THIS SECTION SHALL BE ENFORCEABLE TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

IN NO EVENT SHALL A PARTY BE LIABLE TO THE OTHER PARTY UNDER THIS AGREEMENT OR ANY THIRD PARTY FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY INDIRECT, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES FOR LOSS OF BUSINESS, LOSS OF PROFITS, LOSS OF REVENUES, BUSINESS INTERRUPTION, LOSS OF SOFTWARE, LOSS OF DATA, LOSS OF BUSINESS INFORMATION, THE INADEQUACY OF THE LICENSED MATERIALS FOR ANY PURPOSE, OR ANY OTHER ITEM) RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

ARTICLE 7

TERM

7.1. **Term**. The term of this Agreement commences on the Effective Date and shall continue in perpetuity unless the Parties mutually agree to terminate the Agreement or unless terminated earlier as set forth below.

7.2. **Termination by Eontec**. Eontec may terminate this Agreement upon written notice to LMT upon any of the following events:

(a) In the event LMT fails to increase the authorized shares of common stock to 1,100,000,000 by May 31, 2016; or

(b) LMT commits a material breach of this Agreement, the Purchase Agreement, or any other agreement to which Eontec (or its Affiliates) and LMT (or its Affiliates) are a party and fails to cure said breach within fifteen (15) Business Days of delivery of written notice of breach by Eontec to LMT.

7.3. **Termination by LMT**. LMT may terminate this Agreement upon written notice to Eontec upon any of the following events:

(a) Liquidmetal Technology Limited, a Hong Kong corporation, (or any permitted successor or assign) fails to purchase the Second Closing Shares and Third Closing Shares (as those terms are defined in the Purchase Agreement) when required to do so under the terms of the Purchase Agreement; or

(b) Eontec commits a material breach of this Agreement, the Purchase Agreement, or any other agreement to which Eontec (or its Affiliates) and LMT (or its Affiliates) are a party and fails to cure said breach within fifteen (15) Business Days of delivery of written notice of breach by LMT to Eontec; or

(c) Liquidmetal Technology Limited (or any permitted successor or assign) exercises the Put Right (as defined in the Purchase Agreement).

7.4. **Effect of Termination**. Within fifteen (15) Business Days after termination or expiration of this Agreement, each party shall: (a) immediately cease all activities concerning, including all practice and use of, the Intellectual Property that is licensed hereunder; (b) either return to each other all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on Licensor's Confidential Information; or (ii) permanently erase such Confidential Information from its computer systems; and (c) certify in writing to the other party that it has complied with the requirements of Section 6.4(b). The rights and obligations of the parties set forth in this Section 6.4 and in Article 1 (Definitions), Section 4.2 (Improvements and Derivatives), Article 7 (Confidentiality), and Articles 8 (Miscellaneous), and any right, obligation or required performance of the Parties in this Agreement which, by its express terms or nature and context is intended to survive termination or expiration of this Agreement, shall survive any such termination or expiration.

ARTICLE 8

CONFIDENTIALITY

8.1. **Terms of Agreement**. Each party agrees not to disclose any terms of this Agreement to any third party without the consent of the other party; provided, however, that disclosures may be made as required by securities or other applicable laws; or by either party to its accountants, attorneys, and other professional advisors.

8.2. **Restrictions on Disclosure and Use**.

(a) **Restrictions and Covenants**. Except as otherwise provided herein, each party agrees that, in its capacity as the Recipient of Confidential Information, it will (i) hold the Discloser's Confidential Information in strict confidence, use a high degree of care in safeguarding the Discloser's Confidential Information, and take all precautions necessary to protect the Discloser's Confidential Information including, at a minimum, all precautions the Recipient normally employs with respect to its own Confidential Information, (ii) not divulge any of the Discloser's Confidential Information or any information derived therefrom to any other person (except as set forth in Section 7.2.2 (Disclosure to Representatives) hereof), (iii) not make any use whatsoever at any time of the Discloser's Confidential Information except as is necessary in the performance of Recipient's specific duties under this Agreement, (iv) not copy, reverse engineer, alter, modify, break down, melt down, disassemble or transmit any of the Discloser's Confidential Information, (v) not, within the meaning of United States or other export control laws or regulations, export or re-export, directly or indirectly, including but not limited to export on the Internet or other network service, any of the Discloser's Confidential Information, (vi) notify the Discloser in writing immediately upon discovery by the Recipient or its Representatives of any unauthorized use or disclosure of the Discloser's Confidential Information, and (vii) upon the termination or expiration of this Agreement, immediately return to the Discloser or destroy (at the option of the Recipient) all such Confidential Information, including all originals and copies.

(b) **Disclosure to Representatives**. The Recipient may only disseminate the Discloser's Confidential Information to its Representatives who have been informed of the Recipient's obligations under this Agreement and are bound by an obligation of confidentiality and non-use with respect to the Discloser's Confidential Information at least as broad in scope as the Recipient's obligations under this Agreement. The Recipient agrees to reasonably restrict disclosure of the Discloser's Confidential Information to the smallest number of the Recipient's Representatives which have a need to know the Confidential Information. The Recipient shall be responsible for enforcing this Agreement as the Recipient's Representatives and shall take such action (legal or otherwise) to the extent necessary to cause them to comply with this agreement.

(c) **Trade Secrets**. Any trade secrets of the Discloser will also be entitled to all of the protections and benefits of applicable trade secret law, and the Recipient agrees to be bound by all applicable trade secret laws, unfair competition laws, and any other similar laws with respect to the Discloser's Confidential Information. If any Confidential Information that the Discloser deems to be a trade secret is found by a court of competent jurisdiction not to be a trade secret under applicable law, such Confidential Information will nevertheless still be protected by this Agreement.

(d) **Protection of Licensed Technical Information by Licensee**. Licensee acknowledges and agrees that the Licensed Technical Information derives economic value from not being generally known to other persons who can obtain economic value from its disclosure or use. Therefore, without the express written consent of Licensor, Licensee covenants and agrees that it, its employees, contractors, representatives, successors, assigns, Affiliates, parents, subsidiaries, officers, directors, and the like will (i) hold the Licensed Technical Information in strict confidence, use a high degree of care in safeguarding the Licensed Technical Information, and take all precautions reasonably necessary to protect the Licensed Technical Information including, without limitation, all precautions Licensee normally takes with respect to its own most sensitive and confidential information, (ii) not divulge any of the Licensed Technical Information or any information derived therefrom to any person other than Licensor, (iii) not make any use whatsoever at any time of the Licensed Technical Information except in furtherance of Licensee's obligations to Licensor and as necessary to produce Licensed Products in accordance with the license granted under this Agreement, (iv) not, within the meaning of United States or other export control laws or regulations, export or re-export, directly or indirectly, including but not limited to export on the Internet or other network service, any of the Licensed Technical Information, and (v) notify Licensor in writing immediately upon discovery of any unauthorized use or disclosure of the Licensed Technical Information by Licensee or its employees or any third party.

(e) **Enforcement**. Licensee acknowledges and agrees that due to the unique nature of the Licensed Technical Information and other Confidential Information of Licensor, there can be no adequate remedy at law for any breach of its obligations hereunder, which breach may result in irreparable harm to Licensor, and therefore, that upon any such breach or any threat thereof, Licensor shall be entitled to appropriate equitable relief, including injunction, without the requirement of posting a bond, in addition to whatever remedies it might have at law.

(f) **Exceptions**. The restrictions of the Recipient's disclosure and use of the Discloser's Confidential Information under this Section 7.2 will not apply to the extent of any Confidential Information:

(i) that becomes publicly known without breach of the Recipient's or its Representatives' obligations under this Agreement;

(ii) that is rightfully acquired by Recipient from a third party which is not subject to any restriction or obligation (whether contractual, fiduciary, or otherwise) on disclosure or use of such Confidential Information;

(iii) that is independently developed by employees of the Recipient without knowledge of or reference to such Confidential Information, as evidenced by written documentation or other tangible evidence of Recipient;

(iv) that is required to be disclosed by law or by court order or government order, provided that the Recipient (a) promptly notifies the Discloser of any such disclosure requirement so that the Discloser may seek an appropriate protective order (or other appropriate protections) and (b) provides reasonable assistance (at no cost to the Recipient) in obtaining such protective order or other form of protection; or

(v) as to which and to the extent to which the Recipient has received express written consent from an authorized officer of the Discloser to disclose or use.

8.3. **Third Party Information**. Each party represents and warrants to the other that it is free to divulge, without any obligation to or violation of the rights of any third party, any and all information which it will demonstrate, divulge, or in any other manner make known to the other pursuant to this Agreement. Each party shall indemnify and hold harmless the other from and against any and all liability, loss, cost, expense, damage, claim or demand for actual violation of the rights of any third party in any trade secret, proprietary know-how, or other confidential information by reason of the other party's receipt of information disclosed hereunder. The foregoing provision shall not be construed to affect or diminish the obligations of confidentiality and non-disclosure of the parties as provided in this Article 7.

ARTICLE 9

MISCELLANEOUS

9.1. All notices or other information deemed required or necessary to be given to any of the parties shall be given in the English language at the following addresses:

Eontec:	DongGuan Eontec Co., Ltd. Yin Quan Industrial District Qing Xi, DongGuan, China Attention:_____ Fax:_____ Email:_____
Liquidmetal Technologies:	Thomas Steipp, CEO Liquidmetal Technologies, Inc. 30452 Esperanza Rancho Santa Margarita, CA 92688 Attention: Thomas Steipp, CEO Telephone: (949) 635-2100 Facsimile: (949) 635-2188 Email: tom.steipp@liquidmetal.com

Notices sent in accordance with this Section 8.1 shall be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a U.S. nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail (in each case, 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.

9.2. This Agreement shall be governed by the laws of the State of New York, without reference to its conflicts of law principles. Each of the parties: (i) agrees that any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted exclusively in New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, (ii) waives any objection which it may have or hereafter to the venue of any such suit, action or proceeding, and (iii) irrevocably consents to the jurisdiction of the New York Supreme Court, County of New York, and the United States District Court for the Southern District of New York in any such suit, action or proceeding.

9.3. Each party acknowledges that any breach of this Agreement by it may cause irreparable harm to the other party and that the remedies for breach may include injunctive relief against such breach, in addition to damages and other available remedies. The prevailing party shall be entitled to the award of its reasonable attorney's fees in any action to enforce this Agreement.

9.4. This Agreement, including any recitals, terms, conditions, and provisions herein, and all exhibits attached hereto and referenced herein, constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes and cancels all other prior agreements and understanding of the parties in connection with subject matter. The headings or titles in this Agreement are for purposes of reference only and shall not in any way affect the interpretation or construction of this Agreement.

9.5. No waiver of any of the provisions of this Agreement shall be valid unless in a written document, signed by the party against whom such a waiver is sought to be enforced, nor shall failure to enforce any right hereunder constitute a continuing waiver of the same or a waiver of any other right hereunder. All amendments of this Agreement shall be made in writing and signed by both parties, and no oral amendment shall be binding on the parties.

9.6. The Parties have had the opportunity to negotiate the terms of this Agreement, and no Party shall be deemed the drafter of all or any portion of this Agreement for purposes of interpretation. The terms of this Agreement shall be binding and shall be strictly construed in any proceeding relating or pertaining to this Agreement. Without affecting the obligations of the Parties otherwise expressed, the term "shall" when used in connection with any act or obligation to be undertaken means an affirmative obligation. The term "including" shall mean "including but not limited to." All terms shall be construed in the masculine or feminine and in plural or singular as required by the context in which the term is used. The definitions of terms in this Agreement are limited to this Agreement.

9.7. If any one or more of the provisions of this Agreement is held to be invalid, illegal, or unenforceable in any respect, the other provisions shall remain in full force and effect. Any provision deemed invalid, illegal, or unenforceable because its scope is considered excessive shall be modified only to the minimum extent necessary to render the provision valid, legal, and enforceable under New York law.

9.8. 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. Neither party may assign its rights or duties under this Agreement without the prior written consent of the other party.

9.9. Each party in its capacity as a Licensee shall indemnify and hold harmless Licensor and its Affiliates, and each of Licensor's and its Affiliates' respective officers, directors, employees, agents, successors and assigns, against all losses, claims, damages, or expenses (including reasonable attorney's fees) arising out of or resulting from any third party claim, suit, action or other proceeding related to or arising out of or resulting from (a) Licensee's breach of any representation, warranty, covenant or obligation under this Agreement, or (b) use by Licensee or its permitted sublicensee's of Licensed Patents or Licensed Technical Information, or (c) any use, sale, transfer or other disposition by Licensee or its permitted Sublicensees of Licensed Products or any other products made by use of Licensed Patents or Licensed Technical Information.

9.10. This Agreement may be executed simultaneously in counterparts, by facsimile signature or other means of electronic transmission (to which a .pdf copy is attached) or otherwise, each of which will be deemed an original, but all of which together will constitute the same Agreement. This Agreement is written in the English language, and if either party translates this Agreement into a language other than English, the Parties agree that the English language version of this Agreement will control. 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.

[signatures follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date set forth above

DONGGUAN EONTEC CO., LTD.

By: /s/ Lugee Li

Name: Lugee Li

Title: CEO

LIQUIDMETAL TECHNOLOGIES, INC.

By: /s/ Thomas Steipp

Name: Thomas Steipp

Title: President and CEO

APPENDIX A

List of LMT Licensed Patents and Trademarks

U.S. Patent No. 5,711,363 – Die-Casting of Bulk-Solidifying Amorphous Alloys, Issued 1/27/1998

U.S. Patent No. 5,735,975– Quinary metallic glass alloys, Issued 4/7/1998

U.S. Patent No. 5,772,803 – Torsionally Reacting Spring Made of a Bulk-Solidifying Amorphous Metallic Alloy, Issued 6/30/1998

U.S. Patent No. 5,797,443 – Method of Casting Articles of a Bulk-Solidifying Amorphous Alloy, Issued 8/25/1998

U.S. Patent No. 5,896,642 – Die-Formed Amorphous Metallic Articles and Their Fabrication (Die-Forming (Molding) of Bulk Alloys), Issued 4/27/1999

U.S. Patent No. 5,950,704 - Replication of Surface Features from a Master Model to an Amorphous Metallic Article (Replication with Bulk Alloys), Issued 9/14/1999

U.S. Patent No. 6,010,580 – Composite Penetrator (Composite Kinetic Energy Penetrator), Issued 1/4/2000

U.S. Patent No. 6,021,840 – Vacuum Die Casting of Amorphous Alloys, Issued 2/8/2000

U.S. Patent No. 6,446,558 – Shaped-Charge Projectile Having an Amorphous-Matrix Composite shaped-Charge Liner, Issued 9/10/2002

U.S. Patent No. 6,682,611 – Formation of Zr-Based Bulk Metallic Glasses from Low Purity by Yttrium Addition (Chinese Group), Issued 1/27/2004

U.S. Patent No. 6,771,490 - Metal Frame for Electronic Hardware and Flat Panel Displays, Issued 8/3/2004

U.S. Patent No. 6,818,078 - Joining of Amorphous Metals to Other Metals Utilizing a Cast Mechanical Joint (Joining by Casting), Issued 11/16/2004

U.S. Patent No. 6,843,496 - Amorphous Alloy Gliding Boards, Issued 1/18/2005

U.S. Patent No. 6,875,293 - Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit, Issued 4/5/2005

U.S. Patent No. 6,887,586 - Sharp-Edged Cutting Tools, Issued 5/3/2005

U.S. Patent No. 7,008,490 - Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same (Improving Bulk Alloys), Issued 3/7/2006

U.S. Patent No. 7,017,645 - Thermoplastic Casting of Amorphous Alloys (TPC), Issued 3/28/2006

U.S. Patent No. 7,073,560 - Foamed Structures of Bulk-Solidifying Amorphous Alloys (Foamed Structures), Issued 7/11/2006

U.S. Patent No. 7,157,158 - Encapsulated Ceramic Armor, Issued 1/2/2007

U.S. Patent No. 7,293,599 - Investment Casting of Bulk-Solidifying Amorphous Alloys, Issued 11/13/2007

U.S. Patent No. 7,500,987 – Amorphous Alloy Stents, Issued 3/10/2009

U.S. Patent No. 7,520,944 - Method of Making In-Situ Composites Comprising Amorphous Alloys, Issued 3/21/2009

U.S. Patent No. 7,560,001 - Method of Making Dense Composites of Bulk-Solidifying Alloys and Articles Thereof, Issued 7/14/2009

U.S. Patent No. 7,575,040 - Continuous Casting of Bulk Solidifying Amorphous Alloys, Issued 8/18/2009

U.S. Patent No. 7,582,172 - Pt-Base Bulk Solidifying Amorphous Alloys, Issued 9/1/2009

U.S. Patent No. 7,588,071 - Continuous Casting of Foamed Bulk Amorphous Alloys, Issued 9/15/2009

U.S. Patent No. 7,604,876 - Encapsulated Ceramic Armour, Issued 10/20/2009

U.S. Patent No. 7,618,499 - Fe-Base In-Situ Composite Alloys Comprising Amorphous Phase, Issued 11/17/2009

U.S. Patent No. 7,621,314 - Method of Manufacturing Amorphous Metallic Foam, Issued 11/24/2009

U.S. Patent No. 7,862,957 - Current Collector Plates Made of Bulk-Solidifying Amorphous Alloys, Issued 1/4/2011

U.S. Patent No. 7,896,982 - Bulk Solidifying Amorphous Alloys with Improved Mechanical Properties, Issued 3/1/2011

U.S. Patent No. 8,002,911 - Metallic Dental Prostheses Made of Bulk-Solidifying Amorphous Alloys and Method of Making Such Articles, Issued 8/23/2011

U.S. Patent No. 8,063,843 - Antenna Structures Made of Bulk Solidifying Amorphous Alloys, Issued 11/22/2011

U.S. Patent No. 8,197,615 - Amorphous Alloy Hooks and Methods of Making Such Hooks, Issued 6/12/2012

U.S. Patent No. 8,325,100 - Antenna Structures Made of Bulk-Solidifying Amorphous Alloys (Continuation), Issued 12/4/2012

U.S. Patent No. 8,431,288 - Current Collector Plates Made of Bulk-Solidifying Amorphous Alloys, Issued 4/30/2013

U.S. Patent No. 8,445,161 - Current Collector Plates Made of Bulk-Solidifying Amorphous Alloys, Issued 5/21/2013

U.S. Patent No. 8,459,331 – Vacuum Mold, Issued 6/11/2013

U.S. Patent No. 8,485,245 - Bulk Amorphous Alloy Sheet Forming Processes, Issued 7/16/2013

U.S. Patent No. 8,501,087 - Au-Base Bulk Solidifying Amorphous Alloys, Issued 8/6/2013

U.S. Patent No. 8,679,266 - Objects Made of Bulk-Solidifying Amorphous Alloys and Method of Making the Same, Issued 3/25/2014

U.S. Patent No. 8,813,813 - Continuous Amorphous Feedstock Skull Melting, Issued 8/26/2014

U.S. Patent No. 8,813,814 - Optimized Multi-Stage Inductive Melting of Amorphous Alloys, Issued 8/26/2014

U.S. Patent No. 8,828,155 - Bulk Solidifying Amorphous Alloys with Improved Mechanical Properties, Issued 9/9/2014

U.S. Patent No. 8,830,134 - Antenna Structures Made of Bulk-Solidifying Amorphous Alloys (Continuation), Issued 9/9/2014

U.S. Patent No. 8,858,868 – Temperature Regulated Vessel, Issued 10/14/2014

U.S. Patent No. 8,882,940 - Bulk Solidifying Amorphous Alloys with Improved Mechanical Properties, Issued 11/11/2014

U.S. Patent No. 8,927,176 - Current Collector Plates of Bulk-Solidifying Amorphous Alloys (Divisional), Issued 1/6/2015

U.S. Patent No. 8,936,664 - Crucible Materials for Alloying Materials, Issued 1/20/2015

U.S. Patent No. 8,944,140 - Squeeze Cast Molding System Suitable for Molding Amorphous Metals, Issued 2/3/2015

U.S. Patent No. 8,978,736 - Plunger with Removable Plunger Tip, Issued 3/17/2015

U.S. Patent No. 9,057,120 - Thermoplastic Forming Methods for Amorphous Alloys, Issued 6/16/2015

U.S. Patent No. 9,108,243 - Production of Large-Area Bulk Metallic Glass Sheets by Spinning, Issued 8/18/2015

U.S. Patent No. D563954 - Retractable Memory Stick, Issued 3/11/2008

U.S. Patent No. RE44,385 - Method of Making In-Situ Composites Comprising Amorphous Alloys, Issued 7/23/2013

U.S. Patent No. RE44,425 - Continuous Casting of Bulk Solidifying Amorphous Alloy, Issued 8/13/2013

U.S. Patent No. RE44,426 - Continuous casting of foamed bulk amorphous alloys, Issued 8/13/2013

U.S. Patent No. RE45,353 - Method of Making Dense Composites of Bulk-Solidifying Amorphous Alloys, Issued 1/27/2015

U.S. Patent No. RE45,414 - Continuous Casting of Bulk Solidifying Amorphous Alloys, Issued 3/17/2015

U.S. Patent No. RE45,658 - Method of Manufacturing Amorphous Metallic Foam, Issued 8/25/2015

U.S. Patent Application No. 10/524,954

U.S. Patent Application No. 10/565,839

U.S. Patent Application No. 11/577,052

U.S. Patent Application No. 12/984,440

U.S. Patent Application No. 12/984,433

U.S. Patent Application No. 13/408,824

U.S. Patent Application No. 13/408,730

U.S. Patent Application No. 12/615,097

U.S. Patent Application No. 13/494,804

U.S. Patent Application No. 13/636,032

U.S. Patent Application No. 13/704,537

U.S. Patent Application No. 13/945,176

U.S. Patent Application No. 13/532,233

U.S. Patent Application No. 14/174,206

U.S. Patent Application No. 14/237,089

U.S. Patent Application No. 14/348,399

U.S. Patent Application No. 14/348,390

U.S. Patent Application No. 14/348,404

U.S. Patent Application No. 14/345,883

U.S. Patent Application No. 14/359,060

U.S. Patent Application No. 14,345,159

U.S. Patent Application No. 13/939,939

U.S. Patent Application No. 13/940,051

U.S. Patent Application No. 13/939,995

U.S. Patent Application No. 14/480,357

U.S. Patent Application No. 14/374,803

U.S. Patent Application No. 14/350,498

U.S. Patent Application No. 14/537,384

U.S. Patent Application No. 14/828,302

U.S. Patent Application No. 12/805,807

U.S. Patent Application No. 14/266,934

U.S. Patent Application No. 14/572,126

U.S. Patent Application No. 14/572,066

U.S. Patent Application No. 14/572,107

LMT Licensed Trademarks

U.S. Trademark Registration No. 2312889, Registered 2/1/2000

U.S. Trademark Registration No. 3159720, Registered 10/17/2006

U.S. Trademark Registration No. 3230417, Registered 4/17/2007

U.S. Trademark Registration No. 4732528, Registered 5/5/2015

Appendix A1

Noninclusive List of LMT Licensed Patents and Trademarks in the Eontec Exclusive Territory

Chinese Publication No. CN 1239730, Metal Frame for Electronic Hardware and Flat Panel Displays

Chinese Publication No. CN 1295371, Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit

Chinese Publication No. CN 1578846, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Chinese Publication No. CN 100372630, Thermoplastic Casting of Amorphous Alloys

Chinese Publication No. CN 100382939, Sharp-Edged Cutting Tools

Chinese Publication No. CN 101496223, Antenna Structures Made of Bulk Solidifying Amorphous Alloys

Chinese Publication No. CN 102791902, Nickel Based Thermal Spray Powder

Chinese Publication No. CN 102834533, Thermoplastic Forming Methods for Amorphous Alloys

Chinese Publication No. CN 102859024, Molybdenum-Containing Ferrous Alloy for Improved Thermal Spray Deposition Hard-Facing

Chinese Publication No. CN 102905843, Amorphous Alloy Interfacial Layer/Seal/Bonding

Chinese Publication No. CN 103722147, Unevenly Spaced Induction Coil for Molten Alloy Containment

Chinese Publication No. CN 103038378, Tin-Addition to Amorphous Alloy

Chinese Publication No. CN 103797138, Molding and Separating of Bulk-Solidifying Amorphous Alloys and Composite Containing Amorphous Alloy

Chinese Publication No. CN 103814143, Nano- and Micro-Replication for Authentication and Texturization

Chinese Publication No. CN 103827048, Crucible Materials for Alloying Materials

Chinese Publication No. CN 103946406, Alloying Technique for Fe-Based Bulk Amorphous Alloy

Chinese Publication No. CN 103958719, Tamper Resistant Amorphous Alloy Joining

Chinese Publication No. CN 103974790, Containment Gate for Inline Temperature Control Melting,

Chinese Publication No. CN 103987871, Radiation Shielding Structures,

Chinese Publication No. CN 104023876, Injection Molding of Amorphous Alloy Using an Injection Molding System

Chinese Publication No. CN 104043805, Plunger with Removable Plunger Tip

Chinese Publication No. CN 104039481, Ingot Loading Mechanism for Injection Molding Machine

Chinese Publication No. CN 104275458, Unevenly Spaced Induction Coil for Molten Alloy Containment

Chinese Publication No. CN 104275463, Slotted Shot Sleeve for Induction Melting of Material

Chinese Publication No. CN 104275478, Manifold Collar for Distributing Fluid Through a Cold Crucible

Chinese Publication No. CN 104988447, Nickel Based Thermal Spray Powder

Chinese Publication No. CN 203578747, Unevenly Spaced Induction Coil for Molten Alloy Containment

Japanese Publication No. JP 4216604, Amorphous Alloy Gliding Boards

Japanese Publication No. JP 4234589, Joining of Amorphous Metals to Other Metals Utilizing a Cast Mechanical Joint

Japanese Publication No. JP 5043427, Current Collector Plates Made of Bulk-Solidifying Amorphous Alloys

Japanese Publication No. JP 5227979, Thermoplastic Casting of Amorphous Alloys

Japanese Publication No. JP 5244282, Metal Frame for Electronic Hardware and Flat Panel Displays

Japanese Publication No. JP 5374562, Metal Frame for Electronic Hardware and Flat Panel Displays

Japanese Publication No. JP 5639003, Current Collector Plates Made of Bulk-Solidifying Amorphous Alloys

Japanese Publication No. JP 5703424, Ingot Loading Mechanism for Injection Molding Machine

Japanese Publication No. JP 2005502782, Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit

Japanese Publication No. JP 2005504882, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Japanese Publication No. JP 2005506116, Sharp-Edged Cutting Tools

Japanese Publication No. JP 2005515898, Thermoplastic Casting of Amorphous Alloys

Japanese Publication No. JP 2009172391, Sharp-Edged Cutting Tools

Japanese Publication No. JP 2011045931, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Japanese Publication No. JP 2011080152, Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit

Japanese Publication No. JP 2012166033, Sharp-Edged Cutting Tools

Japanese Publication No. JP 2013516326, Amorphous Alloy Interfacial Layer/Seal/Bonding

Japanese Publication No. JP 2014040667, Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit

Japanese Publication No. JP 2014098538, Unevenly Spaced Induction Coil for Molten Alloy Containment

Japanese Publication No. JP 2014527913, Molding and Separating of Bulk-Solidifying Amorphous Alloys and Composite Containing Amorphous Alloy

Japanese Publication No. JP 2014176899, Plunger with Removable Plunger Tip

Japanese Publication No. JP 2014528840, Injection Molding of Amorphous Alloy Using an Injection Molding System

Japanese Publication No. JP 2014528888, Crucible Materials for Alloying Materials

Japanese Publication No. JP 2015016506, Slotted Shot Sleeve for Induction Melting of Material

Japanese Publication No. JP 2015037807, Manifold Collar for Distributing Fluid Through a Cold Crucible

Japanese Publication No. JP 2015038243, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Japanese Publication No. JP 2015062952, Unevenly Spaced Induction Coil for Molten Alloy Containment

Japanese Publication No. JP 2015502557, Nano- and Micro-Replication for Authentication and Texturization

Japanese Publication No. JP 2015503028, Alloying Technique for Fe-Based Bulk Amorphous Alloy

Japanese Publication No. JPH 09323146, Die-Casting of Bulk-Solidifying Amorphous Alloys

Japanese Publication No. JPH 11285801, Vacuum Die Casting of Amorphous Alloys

Korean Publication No. KR 100874694, Sharp-Edged Cutting Tools

Korean Publication No. KR 100898657, Joining of Amorphous Metals to Other Metals Utilizing a Cast Mechanical Joint

Korean Publication No. KR 100908420, Metal Frame for Electronic Hardware and Flat Panel Displays

Korean Publication No. KR 100977231, Method of Forming Molded Articles of Amorphous Alloy with High Elastic Limit

Korean Publication No. KR 101053756, Thermoplastic Casting of Amorphous Alloys

Korean Publication No. KR 101095223, Continuous Casting of Foamed Bulk Amorphous Alloys

Korean Publication No. KR 101190440, Thermoplastic Casting of Amorphous Alloys

Korean Publication No. KR 101202587, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Korean Publication No. KR 101445953, Nickel Based Thermal Spray Powder

Korean Publication No. KR 101450988, Molybdenum-Containing Ferrous Alloy for Improved Thermal Spray Deposition Hard-Facing

Korean Publication No. KR 101471726, Method of Improving Bulk-Solidifying Alloy Compositions and Cast Articles Made of the Same

Korean Publication No. KR 101500170, Unevenly Spaced Induction Coil for Molten Alloy Containment

Korean Publication No. KR 20050027092, Foamed Structures of Bulk-Solidifying Amorphous Alloys

Korean Publication No. KR 20120109608, Amorphous Alloy Interfacial Layer/Seal/Bonding

Korean Publication No. KR 20130048224, Tin-Addition to Amorphous Alloy

Korean Publication No. KR 20140065154, Nano- and Micro-Replication for Authentication and Texturization

Korean Publication No. KR 20140068246, Injection Molding of Amorphous Alloy Using an Injection Molding System

Korean Publication No. KR 20140070639, Radiation Shielding Structures

Korean Publication No. KR 20140090631, Containment Gate for Inline Temperature Control Melting

Korean Publication No. KR 20140092410, Amorphous Alloy Interfacial Layer/Seal/Bonding

Korean Publication No. KR 20150088916, Tin-Addition to Amorphous Alloy

Korean Publication No. KR 201520121404, Thermoplastic Forming Methods for Amorphous Alloys

Singaporean Publication No. SG 50793, Die-Casting of Bulk-Solidifying Amorphous Alloys

Taiwanese Publication No. TW 380068, Vacuum Die Casting of Amorphous Alloys

Trademarks

Japanese Trademark Registration No. 4149191, Registered 05/22/1998

Japanese Trademark Registration No. 4496160, Registered 08/03/2001

Korean Trademark Registration No. 447777, Registered 05/13/1999

Hong Kong Trademark Registration No. B6279/2002, Registered 05/24/2002

Singapore Trademark Registration No. T97/15181Z, Registered 12/15/1997

APPENDIX B

List of Eontec Licensed Patents and Trademarks

No.	Patent No.	Patent Name	Owner
1	CN103789770	Chemical polishing technology and polishing solution for surface of bulk amorphous and nanocrystalline alloy	Eontec
2	CN105154794	Amorphous alloy with antibacterial function	Meon
3	CN105220083	Corrosion resistant amorphous alloy and preparation method and application	Meon
4	CN105220085	High strength amorphous alloy and preparation method and application	Meon
5	201510780752.9	High toughness amorphous composite material and preparation method and application	Meon
6	CN105239024	High hardness amorphous composite material and preparation method and application	Meon

APPENDIX C

Field of Use Restrictions

The licenses granted under this Agreement shall be subject to the following exclusions, conditions, restrictions, and limitations:

1. The licenses granted to Eontec and LMT under this Agreement shall exclude the following products and fields of use:

   a. Any Consumer Electronic Products (as defined below) or any components or sub-components suitable for use with any Consumer Electronic Products. For this purpose, “Consumer Electronic Products” means personal computers (portable and desktop); tablet or slate style computing devices; handheld electronic and/or communication devices (e.g., smartphones, digital music players, multi-function devices, etc.); any device whose function includes the creation, storage or consumption of digital media; any component or sub-component in any Consumer Electronic Product; and any accessory that is the same or similar (in the sole discretion of Apple, Inc.) to an accessory made or sold by or on behalf of Apple (regardless of when Apple sold or started to sell such accessory, including after date of the closing of the Proposed Transaction) that is suitable for use with any Consumer Electronic Product.

   b. Any watches or components for watches.

   c. Finished or semi-finished Jewelry, and also any other products that are sold under the name of a Luxury Brand or incorporated into products that are sold under the name of a Luxury Brand, including without limitation (a) buckles for belts, briefcases, handbags, and clothing; and (b) cigarette lighters and cigar cutters. For purposes hereof, the term “Jewelry” means rings, necklaces, pins, cufflinks, and other objects that are ornamental in nature and used for adornment of the human body. “Luxury Brands ” shall not include brands owned or used by Nokia, Motorola, Samsung, LG, Sony-Ericsson, Apple, RIM, HTC or similar companies that supply mobile phones and accessories to the mass-market. Otherwise, “Luxury Brands” consist of the following brands and any other similar, renowned luxury brand which is used as the sole or primary brand on a competitive product sold at similar price point:

      LVMH Moet Hennessey
      Rolex
      Chanel
      Bentley Motors
      Chopard
      Compagnie Financiere Richemont
      Gucci Group
      Hermes
      IWC
      Jaeger LeCoultre
      Mercedes Benz

Porsche
ST DuPont
The Swatch Group
Tiffany & Co.
IWC
Cartier
Montblanc
TAG Heuer
Louis Vuitton
Bvlgari
CHANEL
Prada
Dunhill
Aspreys
Porsche
Ferrari
Sellita Group
Safilo Group
Luxottica Group
Ventura
Ellicot

2. The license granted to Eontec shall exclude any LMT Patents or LMT Technical Information that LMT licenses from a third party (other than a third party that is an Affiliate of LMT) if and to the extent that the terms of the third party license would prohibit the sublicensing of such Intellectual Property to Eontec hereunder.

3. The license granted to LMT shall exclude any Eontec Patents or Eontec Technical Information that Eontec licenses from a third party (other than a third party that is an Affiliate of Eontec) if and to the extent that the terms of the third party license would prohibit the sublicensing of such Intellectual Property to LMT hereunder.

4. The exclusive license granted to Eontec herein shall be subject to the non-exclusive license rights of Visser Precision Cast, LLC (and its sublicensees) pursuant to that certain Amended and Restated VPC Sublicense Agreement, dated May 20, 2014, between LMT and Visser Precision Cast, LLC.

5. The Eontec Field shall exclude any products or services that are intended for use in, or likely to be used in, military or weapons/munitions applications.

6. The LMT Field shall exclude any products or services that are intended for use in, or likely to be used in, military or weapons/munitions applications.

7. The licenses granted to Eontec hereunder shall be subject to and limited by (and shall contain any exclusions required by) any applicable state or federal legal or regulatory requirements of any state or federal governmental or regulatory body. Specifically, the licenses granted to Eontec hereunder, and the Eontec Field shall exclude, any Intellectual Property, products, or services that would require an export license under the United States Export Administration Regulations (EAR) (15 CFR §§ 734.2(b)(2)(ii) and 734.2(b)(4)) or that would require any other consent or authorization of any United States federal or state governmental or regulatory body, unless and until the required export license or other governmental or regulatory consent or authorization is obtained. LMT agrees to use commercially reasonable efforts to obtain all necessary export licenses upon the written request of Eontec.

8. The licenses granted to LMT hereunder shall be subject to and limited by (and shall contain any exclusions required by) any applicable People's Republic of China governmental legal or regulatory requirements of Chinese government or regulatory body. Specifically, the licenses granted to LMT hereunder, and the LMT Field shall exclude, any Intellectual Property, products, or services that would require an export license under Chinese regulations or that would require any other consent or authorization of any Chinese governmental or regulatory body, unless and until the required export license or other governmental or regulatory consent or authorization is obtained. Eontec agrees to use commercially reasonable efforts to obtain all necessary export licenses upon the written request of LMT.

Exhibit 10.3

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into effective as of March 10, 2016 (the "Amendment Date"), by and between LIQUIDMETAL TECHNOLOGIES, INC., a Delaware corporation (the "Company"), and THOMAS STEIPP, an individual residing in the State of California (the "Employee").

RECITALS

WHEREAS, the Employee and the Company previously entered into an Employment Agreement dated August 3, 2010 (the "Effective Date") pursuant to which the Company agreed to employ Employee as the Company's President and Chief Executive Officer (the "Original Employment Agreement"), and the Employee has continued to serve in those roles continuously since that date;

WHEREAS, the Original Employment Agreement provided for an employment term of five years, which term expired on August 3, 2015;

WHEREAS, the Company and Employee entered into an Amended and Restated Employment Agreement ("Amendment") on February 4, 2016; and

WHEREAS, the Company and the Employee desire to amend and restate the Original Employment Agreement and Amendment to extend the term of Employee's employment with the Company and to provide for other terms and conditions of such employment, all as set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the Company and the Employee hereby amend and restate the Original Employment Agreement and Amendment to read as follows:

1. **Employment**. The Company hereby employs Employee, and the Employee hereby accepts such employment, upon the terms and conditions set forth in this Agreement.

2. **Term**. Subject to the terms and conditions of this Agreement, including, but not limited to, the provisions for termination set forth in Section 5 hereof, the employment of the Employee under the Original Employment Agreement commenced on the Effective Date, continued through the Initial Term (as defined in the Original Employment Agreement) and has continued thereafter. The Company and Employee agree that Employee's employment shall continue from the date hereof through August 3, 2017 (the "Subsequent Term"). Upon the expiration of the Subsequent Term, the term of Employee's employment shall be renewed upon the Company and Employee agreeing to extend this Agreement in writing.

3. **Duties**. Employee has served, and will continue to serve, as PRESIDENT and CHIEF EXECUTIVE OFFICER of the Company. The Employee will devote his full business time, attention, skill, and energy to the business of the Company and will be a full-time employee of the Company. Employee will use the Employee's best efforts to promote the success of the Company's business and will cooperate fully with the Board of Directors in the advancement of the best interests of the Company. Furthermore, the Employee shall assume and competently perform such reasonable responsibilities and duties as may be assigned to the Employee from time to time by the Board of Directors and Chairman of the Board of the Company or their designee. To the extent that the Company shall have any parent company, subsidiaries, affiliated corporations, partnerships, or joint ventures (collectively "Related Entities"), the Employee shall perform such duties to promote these entities and to promote and protect their respective interests to the same extent as the interests of the Company without additional compensation. At all times, the Employee agrees that the Employee has read and will abide by, and prospectively will read and abide by, any employee handbook, policy, or practice that the Company or Related Entities has or hereafter adopts with respect to its employees generally.

4. **Compensation**.

(a) Annual Base Salary. As compensation for Employee's services and in consideration for the Employee's covenants contained in this Agreement, the Company shall pay the Employee an annual base salary of $300,000, which salary shall be paid in accordance with the Company's regular payroll schedule and will be subject to applicable tax and other legally required withholdings. The annual compensation may be adjusted upward (but not downward) in the sole discretion of the Board of Directors.

(b) Bonuses. In addition to the Employee's annual base compensation, during the term of the Employee's employment hereunder, the Employee shall be entitled to only such bonuses or additional compensation as may be granted to the Employee by the Board of Directors or Chairman of the Board of the Company, in their sole discretion.

(c) Reimbursement of Expenses. The Employee shall be reimbursed for all reasonable and customary travel and other business expenses incurred by Employee in the performance of Employee's duties hereunder, provided that such reimbursement shall be subject to, and in accordance with, any expense reimbursement policies and/or expense documentation requirements of the Company that may be in effect from time to time.

(d) Stock Grant. Following the Effective Date, the Company granted to Employee 6,000,000 shares of restricted stock, and has subsequently granted to the Employee additional shares of restricted stock and options. The Company and the Employee contemplate that the Company will in the future make additional equity grants (restricted stock and/or options) to Employee consistent with the Company's employee equity grant practices, but in all cases subject to the absolute discretion of the Company's Board of Directors as to whether to make any such grants and as to the number of shares, price, vesting and other terms as the Board may determine.

(e) Other Benefits. During the term of the Employee's employment hereunder, the Employee shall be eligible to participate in such pension, life insurance, health, disability insurance and other benefits plans, if any, which the Company may from time to time make available to similar-level employees.

(f) Vacation. The Employee shall be entitled to four weeks paid vacation during each calendar year. Vacation shall be taken at such times and with such notice so as to not disrupt or interfere with the business of the Company. Unused vacation from a particular calendar year will not be paid in cash but will carry over to the succeeding calendar year, up to a maximum of 3 weeks, and no more than 3 weeks of carried-over vacation may be taken during any calendar year (or such other amount as is provided for in any policy or plan that the Board may adopt).

5. **Termination**.

(a) Death. The Employee's employment under this Agreement shall terminate immediately upon Employee's death. In the event of a termination pursuant to this Section 5(a), the Employee's estate shall be entitled to receive any unpaid base salary owing to Employee up through and including the date of the Employee's death.

(b) Disability. If during the term of the Employee's employment hereunder, the Employee becomes physically or mentally disabled in the determination of a physician appointed or selected by the Company, or, if due to any physical or mental condition, the Employee becomes unable for a period of more than sixty (60) days during any six-month period to perform Employee's duties hereunder, on substantially a full-time basis as determined by a physician selected by the Company, the Company may, at its option, terminate the Employee's employment upon not less than thirty (30) days written notice. In the event of a termination pursuant to this Section 5(b), the Employee shall be entitled to receive any unpaid base salary owing to Employee up through and including the effective date of termination.

(c) Termination By Company Without Cause. The Company may terminate the Employee's employment at any time without cause (a "Termination Without Cause"). In the event of a Termination Without Cause, the Employee shall continue to receive the Employee's base salary (as then in effect) during the twelve (12) month period immediately following the effective date of the Termination Without Cause (the "Severance Period"). In addition to the severance pay described in the preceding sentence, the Employee shall continue, during the Severance Period, to receive all employee health and welfare benefits to which Employee was entitled immediately prior to the Termination Without Cause. Employee agrees and acknowledges, however, that Employee will forfeit the right to receive base salary and benefits during the Severance Period immediately upon the Employee's breach of any covenant set forth in Section 6 of this Agreement. The Employee's right to receive any severance payments pursuant to this Section 5(c) is conditioned upon the Employee signing a general release in form and substance satisfactory to the Company under which the Employee releases the Company and its affiliates, together with their respective officers, directors, shareholders, employees, agents and successors and assigns, from any and all claims Employee may have against them as of the date of such release (whether known or unknown), other than claims arising out of (A) this Agreement, (B) the agreements relating to the equity awards granted to Employee or (C) the Amended and Restated Director and Officer Indemnification Agreement between the Company and Employee dated September 30, 2015 (the "Indemnification Agreement"). In addition, upon a Termination Without Cause, the vesting of any equity award that is not completely vested as of the effective date of such termination shall immediately be accelerated so that such award becomes vested for that number of shares as to which it would be vested if Employee's employment were to continue for 12 months following the effective date of such termination. In addition, the period of time during which Employee shall be entitled to exercise any equity award that is an option shall be extended to the earlier of (i) the second anniversary of such effective date or (ii) the date on which such option would otherwise expire and terminate in accordance with the terms of such option (without giving effect to any expiration or termination that is based upon the date of any termination of employment).

(d) Termination By Company With Cause. The Company may terminate the Employee's employment at any time with Cause. As used in this Agreement, "Cause" shall mean the following: (1) the Employee's failure or inability to perform Employee's duties under this Agreement to the reasonable satisfaction of the Board of Directors of the Company after being given written notice of the Employee's deficiencies and having a period of at least ten (10) days to cure such deficiencies to the reasonable satisfaction of the Board of Directors; (2) dishonesty or other serious misconduct (3) the commission of an unlawful act material to Employee's employment, (4) a material violation of the Company's policies or practices which reasonably justifies immediate termination; (5) committing, pleading guilty, nolo contendre or no contest (or their equivalent) to, entering into a pretrial intervention or diversion program regarding, or conviction of, a felony or any crime or act involving moral turpitude, fraud, dishonesty, or misrepresentation; (6) the commission by the Employee of any act which could reasonably affect or impact to a material degree the interests of the Company or Related Entities or in some manner injure the business, or business relationships of the Company or Related Entities; (7) the Employee's inability to perform an essential function of Employee's position; (8) any material breach by Employee of this Agreement which, if unintentional and capable of being cured, is not cured within ten (10) days of written notice of such breach by the Company to Employee. The Company may terminate this Agreement for Cause at any time without notice. In the event of a termination for Cause, the Company shall be relieved of all its obligations to the Employee provided for by this Agreement as of the effective date of termination, and all payments to the Employee hereunder shall immediately cease and terminate as of such date, except that Employee shall be entitled to the annual base salary hereunder up to and including the effective date of termination, provided, however, that the Employee' s obligations under Sections 6 and 7 of this Agreement shall survive such a Termination for Cause, and any other liabilities or obligations which have accrued and are owed by the Employee to the Company shall not be extinguished or released by such termination.

(e)

At any time prior to the second anniversary of such Change of Control, the Company terminates Employee's employment without Cause , or Employee voluntarily terminates his employment for Good Reason (as defined below), the Employee shall be entitled to lump-sum severance compensation in an amount equal to one (1) year of Employee's then-current base salary (the "Supplemental Change in Control Compensation"). The Supplemental Change in Control Compensation shall be payable on fifteen (15) days after the effective date of the termination of Employee's employment. In addition to the Supplemental Change in Control Compensation, the Employee shall, to the extent permitted by any applicable benefit plan, continue to receive, from the date of termination through the second anniversary of such date of termination, all employee health and welfare benefits that Employee would have received during such period in the absence of such termination. Employee agrees and acknowledges, however, that Employee will forfeit the right to receive Supplemental Change in Control Compensation and benefits during such period immediately upon the Employee's breach of any covenant set forth in Section 6 of this Agreement. In addition, all unvested shares subject to any equity award shall immediately vest upon the effective date of termination of Employee's employment as set forth in the Employee Termination Notice. In addition, the period of time during which Employee shall be entitled to exercise any equity award that is an option shall be extended to the earlier of (i) the second anniversary of such effective date of termination or (ii) the date on which such option would otherwise expire and terminate in accordance with the terms of such option (without giving effect to any expiration or termination that is based upon the date of any termination of employment).

(i) For purposes hereof, the term “Change in Control “means any of the following events: (1) any entity or “group” (as described in Rule 13d-5(b)(l) promulgated under the Securities Exchange Act of 1934, as amended), other than an affiliate or subsidiary of the Company or an employee benefit plan established or maintained by the Company, a subsidiary of the Company, or any of their respective affiliates, acquires more than 50.0% of the combined voting power of the Company’s then outstanding securities; or (2) the consummation of (A) a merger or consolidation of the Company with or into another corporation unless after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction own more than 50% of the aggregate voting power of the Company or the successor entity of such transaction, or (B) a sale or disposition of all or substantially all of the Company’s assets.

(ii) “Good Reason” means (i) the failure of the Company to pay Employee’s base salary at no less than the rate in effect immediately prior to the Change of Control, or the Company’s reduction in Employee’s target bonus, (ii) the assignment of Employee to a position, responsibilities, authority level or duties of a materially lesser status or degree of responsibility than his position, responsibilities, authority level, or duties immediately prior to the Change of Control, or (iii) the transfer of Employee to a work site more than twenty-five mile distance from Employee’s work site immediately prior to the Change of Control, in each case without Employee’s consent; provided, that, in each case, the Company shall have been given written notice by Employee describing in reasonable detail the occurrence of the event r circumstance for which Employee believes he may resign for Good Reason within thirty (30) business days of when Employee first learns of the first occurrence thereof and the Company shall not have cured such event or circumstance within fifteen (15) business days after the Company’s receipt of such notice.

(iii) The Employee’s right to receive any compensation pursuant to this Section 5(e) is conditioned upon the Employee signing (on or before such compensation is due) a general release in form and substance satisfactory to the Company under which the Employee releases the Company and its affiliates, together with their respective officers, directors, shareholders, employees, agents and successors and assigns, from any and all claims Employee may have against them as of the date of such release (whether known or unknown), other than claims arising out of (A) this Agreement, (B) the agreements relating to the equity awards granted to Employee or (C) the Indemnification Agreement.

(f) Termination by Employee Without a Change of Control. Employee may terminate his employment at any time upon 30 days written notice to the Company. If such termination is covered by an Employee Termination Notice described in Section 5(e), then such termination shall be governed by Section 5(e) and not this Section 5(f). If such termination is not covered by an Employee Termination Notice, Employee shall be entitled to receive only any unpaid base salary owing to Employee up through and including the effective date of such termination, and the vesting and exercisability of equity awards granted to Employee shall be governed by the equity award agreements evidencing such awards.

(g) Change of Status. If, without a Change of Control having occurred, the Board changes Employee's position so that he is no longer the Chief Executive Officer of the Company, the base salary, bonus, equity awards and other benefits associated with the new position in the twelve months following such change in position shall be no less than those set forth in Section 5(e) as if Employee's employment had been Terminated Without Cause as of the date of the change in position.

6. **Nonsolicitation and Nondisclosure Covenants**.

(a) Rationale for Restrictions. Employee acknowledges that Employee's services hereunder are of a special, unique and extraordinary character, and Employee's position with the Company places Employee in a position of confidence and trust with customers, suppliers and other persons and entities with whom the Company and its Related Entities have a business relationship. The Employee further acknowledges that the rendering of services under this Agreement will likely require the disclosure to Employee of Confidential Information (as defined below) including Trade Secrets of the Company relating to the Company and/or Related Entities. As a consequence, the Employee agrees that it is reasonable and necessary for the protection of the goodwill and legitimate business interests of the Company and Related Entities that the Employee make the covenants contained in this Section 6, that such covenants were and are a material inducement for the Company to employ the Employee and to enter into the Original Employment Agreement and this Agreement and that the covenants are given as an integral part of and incident to this Agreement.

(b) Nonsolicitation Covenants. As used herein, the term "Restrictive Period" means the time period commencing on the Effective Date and ending on the second (2nd) anniversary of the date on which the Employee's employment by the Company (or any Related Entity) terminates for any reason, including both a termination by the Company for Cause and Not for Cause. In addition, the term "Covered Business" means any business which is the same or similar to, any business conducted by the Company or any of the Related Entities at any time during the Restrictive Period. The Employee agrees that the Employee will not engage in any of the following acts anywhere in the world during the Restrictive Period:

(i) directly or indirectly assist, promote or encourage any existing or potential employees, customers, clients or vendors of the Company or any Related Entity, as well as any other parties which have a business relationship with the Company or a Related Entity, to terminate, discontinue, or reduce the extent of their relationship with the Company or a Related Entity;

(ii) directly or indirectly solicit business of the same or similar type as a Covered Business, from any person or entity known by the Employee to be a customer or client of the Company, whether or not the Employee had contact with such person or entity during the Employee's employment with the Company;

(iii) disparage the Company, any Related Entities, and/or any shareholder, director, officer, employee, or agent of the Company or any Related Entity; and/or

(iv) engage in any practice the purpose of which is to evade the provisions of this Section 6.

Employee acknowledges that Employee's services hereunder are of a special, unique and extraordinary character, and Employee's position with the Company places Employee in a position of confidence and trust with suppliers, and other persons and entities with whom the Company and its Related Entities have a business relationship. The Employee further acknowledges that the rendering of services under this Agreement will likely require the disclosure to Employee of Confidential Information (as defined below) and Trade Secrets (as defined below) of the Company relating to the Company and/or Related Entities. As a consequence, the Employee agrees that it is reasonable and necessary for the protection of the goodwill and legitimate business interests of the Company and Related Entities that the Employee make the covenants contained in this Section 6, that such covenants are a material inducement for the Company to employ the Employee and to enter into the Original Employment Agreement and this Agreement, and that the covenants are given as an integral part of and incident to this Agreement.

(c) Disclosure of Confidential Information. The Employee acknowledges that the inventions, innovations, software, Trade Secrets, business plans, financial strategies, finances, and all other confidential or proprietary information with respect to the business and operations of the Company and Related Entities are valuable, special and unique assets of the Company. Accordingly, the Employee agrees not to, at any time whatsoever either during or after the Employee's term of employment with the Company, disclose, directly or indirectly, to any person or entity, or use or authorize any person or entity to use, any confidential or proprietary information with respect to the Company or Related Entities without the prior written consent of the Company, including, without limitation, information as to the financial condition, results of operations, identities of clients or prospective clients, products under development, acquisition strategies or acquisitions under consideration, pricing or cost information, marketing strategies, passwords or codes or any other information relating to the Company or any of the Related Entities which could be reasonably regarded as confidential (collectively referred to as "Confidential Information"). However, the term "Confidential Information" does not include any information which is or shall become generally available to the public other than as a result of disclosure by the Employee or by any person or entity which the Employee knows (or which the Employee reasonably should know) has a duty of confidentiality to the Company or a Related Entity with respect to such information. In addition to the foregoing Company will be fully entitled to all of the protections and benefits afforded by the California Uniform Trade Secrets Acts and any other applicable law. The term "Trade Secret" shall mean any information including a formula, pattern, compilation, program, device, method, technique or process that derives independent economic value, actual or potential, from being not generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use, including but not limited to the patented information and processes as well as the unpatented information and processes comprising underlying, arising from and associated with Liquidmetal alloys.

(d) Prevention of Premature Disclosure of Confidential Information and Trade Secrets. The Employee agrees and acknowledges that, because the success of the Company is heavily dependent upon maintaining the secrecy of the Company's Confidential Information and Trade Secrets and preventing the premature public disclosure of the Company's proprietary information and technology including its Confidential Information and Trade Secrets, the Employee agrees to use the Employee's best efforts and his or her highest degree of care, and prudence to ensure that no Confidential Information or Trade Secret prematurely leaks or otherwise prematurely makes its way into the public domain or any public forum, including, without limitation into any trade publications, internet chat rooms, or other similar forums. In the event the Employee becomes aware of any premature leak of Confidential Information or Trade Secret or becomes aware of any circumstances creating a risk of such a leak, the Employee shall immediately inform the Board of Directors of such leak or of such circumstances.

(e) Removal and Return of Proprietary Items. The Employee will not remove from the Company's premises (except to the extent such removal is for purposes of the performance of the Employee's duties at home or while traveling, and under such conditions and restrictions as are specifically authorized and/or required by the Company) or transmit by any means, electronic or otherwise, any document, record, notebook, model, component, device, computer software or code, or Confidential Information or Trade Secret whether embodied in a disk or in any other form, including electronic form (collectively, the "Proprietary Items"). The Employee recognizes that, as between the Company and the Employee, all of the Proprietary Items, whether or not developed by the Employee, are the exclusive property of the Company. Upon termination of Employee's employment with the Company by either party (regardless of the reason for termination) or upon the request of the Company during the term of employment, the Employee will return to the Company all of the Proprietary Items in the Employee's possession or subject to the Employee's control, and the Employee shall not retain any copies, abstracts, sketches, or other physical embodiment of any of the Proprietary Items, Confidential Information, Trade Secret or any part thereof.

(f) Enforcement and Remedies. In the event of any breach of any of the covenants set forth in this Section 6, the Employee recognizes that the remedies at law will be inadequate and that in addition to any relief at law which may be available to the Company for such violation or breach and regardless of any other provision contained in this Agreement, the Company shall be entitled to equitable remedies (including an injunction) and such other relief as a court may grant after considering the intent of this Section 6. Additionally, the period of time applicable to any covenant set forth in this Section 6 will be extended by the duration of any violation by Employee of such covenant. In the event a court of competent jurisdiction determines that any of the covenants set forth in this Section 6 are excessively broad as to duration, geographic scope, prohibited activities or otherwise, the parties agree that this covenant shall be reduced or curtailed to the extent, but only to the extent, necessary to render it enforceable.

7. **Employee Inventions**.

(a) Employee agrees that any inventions, original works of authorship or other work product in whole or in part conceived or made by Employee which are made through the use of any of the Confidential Information or any of the Company's equipment, facilities, supplies, trade secrets or time or which relate to the Company's business or the Company's actual or demonstrably anticipated research and development, or which result from any work performed by Employee for the Company, along with any rights in or to any of the foregoing under copyright, patent, trade secret, trademark, or other law, shall belong exclusively to the Company and shall be deemed part of the Confidential Information for purposes of this Agreement whether or not fixed in a tangible medium of expression. Without limiting the foregoing, Employee agrees that any such original works of authorship shall be deemed to be "works made for hire" and that the Company shall be deemed the author thereof under the U. S. Copyright Act (Title 17 of the U. S. Code), provided that in the event and to the extent such works are determined not to constitute "works made for hire" as a matter of law or that there are any rights that do not accrue to the Company as a work made for hire, Employee hereby irrevocably assigns and transfers to the Company all right, title and interest in and to such works, including but not limited to copyrights and other intellectual property rights. This Agreement shall be construed in accordance with the provisions of Section 2870 of die California Labor Code (a copy of which is attached as Exhibit A hereto) relating to inventions made by Employee, and accordingly this Agreement is not intended and shall not be interpreted to assign to or vest in the Company any of Employee's rights in any inventions other than those described in the first sentence of this Section 7(a).

(b) At all times during Employee's employment by the Company, Employee will maintain a complete and detailed current written record of all ideas, concepts, improvements, discoveries or inventions, of any nature ("Inventions"), whether patentable or not, created or made in whole or part by Employee, either solely or jointly with others, and Employee will promptly disclose any such Inventions to the Company, in writing. Employee further agrees that all such written records shall be and remain the sole and exclusive property of the Company, and Employee shall make such written records available to the Company at any time upon request, for review, inspection or copying by the Company, and shall deliver all copies of such records to the Company upon termination of Employee's employment, for any reason.

(c) With respect to Inventions made or conceived of in whole or part by Employee, either solely or jointly with others, whether during Employee's employment by the Company or after termination of such employment if developed using, applying or adapting, in any way, the Company's equipment, supplies, facilities, Confidential Information or trade secret information, or during Employee's working hours, or such Invention relates to the Company's business, or actual or demonstrably anticipated research or development, or results from any work done in whole or part by Employee, either solely or jointly with others, for the Company, or is based on or related to programs, processes, Inventions or information learned by Employee during such employment

(i) Employee shall inform the Company promptly and fully of such Inventions by a written report, setting forth in detail the procedures employed and the results achieved.

(ii) Employee hereby expressly transfers and assigns to the Company all of Employee's right, title and interest in and to such Inventions; and to applications for U.S. and/or foreign letters patent and/or copyrights as well as any and all continuations, continuations-in-part, and divisions thereof and to U.S. and/or foreign letters patent and/or copyrights issued thereon, as well as any and all reissues, extensions, improvements, or further developments thereof.

(iii) Employee shall apply, or assist the Company in applying, at the Company's request and expense, for U.S. and/or foreign letters patent and/or copyrights in the Company's name or otherwise as the Company shall desire. The decision to obtain letters patent and/or copyrights shall reside solely with the Company; however, the decision not to obtain or time thereafter, shall not be construed as a waiver of any rights hereunder.

(iv) the Company shall also have the royalty-free right to use in its business, to license other to use, and to make use and sell products, processes and/or services derived from any Inventions, discoveries, designs, improvements, concepts, ideas, whether patentable or not, including but not limited to process, methods, formulas, techniques or know-how related thereto, which are not within the scope of Inventions as defined herein, but which are conceived or made in whole or part by Employee, either solely or jointly with others, during regular working hours or with the use of the Company's equipment, supplies, facilities, Confidential Information, trade secret information materials or personnel.

8. **Essential and Independent Covenants**. The Employee' s covenants in Sections 6 and 7 of this Agreement are independent covenants, and the existence of any claim by the Employee against the Company under this Agreement or otherwise will not excuse the Employee's breach of any covenant in Section 6 or 7. The covenants of Section 6 and 7 shall survive the expiration, termination, extinguishment, or lapse of this Agreement under any circumstances, even if this Agreement is terminated by either party, whether for Cause or Not for Cause.

9. **Representations and Warranties by the Employee**. The Employee represents and warrants to the Company that the execution and delivery by the Employee of this Agreement do not, and the performance by the Employee of the Employee' s obligations hereunder will not, with or without the giving of notice or the passage of time, or both:(a) violate any judgment, writ, injunction, or order of any court, arbitrator, or governmental agency applicable to the Employee, or (b) conflict with, result in the breach of any provisions of or the termination of, or constitute a default under, any agreement to which the Employee is a party or by which the Employee is or may be bound, including, without limitation, any noncompetition agreement or similar agreement Employee further represents and warrants that he fully and completely understands this Agreement and that he has engaged in negotiations with the Company and has either consulted with an attorney of his choice or has had ample opportunity to do so and is fully satisfied with the opportunity he has had.

10. **Notices**. For purposes of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when hand- delivered, sent by facsimile transmission (as long as receipt is acknowledged), or mailed by United States certified or registered mail, return receipt requested, postage prepaid. addressed to the address or facsimile number for each party set forth on the signature page hereto, or to such other address or facsimile number as either party may have furnished to the other in writing in accordance except that a notice of change of address shall be effective only upon receipt.

11. **Miscellaneous**. No provision of this Agreement may be modified or waived unless such waiver or modification is agreed to in writing signed by both of the parties hereto. No waiver by any party hereto of any breach by any other party hereto shall be deemed a waiver of any similar or dissimilar term or condition at the same or at any prior or subsequent time. This Agreement is the entire agreement between the parties hereto with respect to the Employee's employment by the Company, and there are no agreements or representations, oral or otherwise, expressed or implied, with respect to or related to the employment of the Employee which are not set forth in this Agreement, other than (i) the Indemnification Agreement, which shall continue in full force and effect without change and (ii) the agreements between the Company and the Employee relating to the equity awards previously granted to Employee, which shall continue to govern those awards, except that, to the extent the acceleration of vesting provisions in this Agreement vary from the vesting provisions of those award agreements, the provisions of this Agreement shall control. This Agreement supersedes that certain Change of Control letter agreement dated September 13, 2013, which agreement is hereby terminated and of no further force or effect. This Agreement shall be binding upon, and inure to the benefit of, the Company, its respective successors and assigns, and the Employee and Employee's heirs, executors, administrators and legal representatives. The duties and covenants of the Employee under this Agreement, being personal, may not be delegated or assigned by the Employee without the prior written consent of the Company, and any attempted delegation or assignment without such prior written consent shall be null and void and without legal effect. The parties agree that if any provision of this Agreement shall under any circumstances be deemed invalid or inoperative, the Agreement shall be construed with the invalid or inoperative provision deleted and the rights and obligations of the parties shall be construed and enforced accordingly. This Agreement may be assigned by the Company without the consent of the Employee, provided, however, that the Employee is given notice of the assignment.

12. **Governing Law; Resolution of Disputes**. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of California without regard to principles of choice of law or conflicts of law thereunder. Any action or proceeding seeking to enforce any provision of: or based on any right arising out of, this Agreement may be brought against either of the parties in the courts of the State of California, County of Orange, or, if it has or can acquire jurisdiction, in the federal courts located in Orange County, California, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on either party anywhere in the world. The parties hereto agree that having venue and jurisdiction solely in California is reasonable in that the headquarters for the Company is in Orange County, California and that site for litigation is the most central for such matters. THE PARTIES HEREBY WAIVE A JURY TRIAL IN ANY LITIGATION ARISING UNDER OR RELATING TO THIS AGREEMENT OR THE EMPLOYMENT OF THE EMPLOYEE WITH THE COMPANY. This Agreement shall not be construed against either party but shall be construed without regard to the participation of either party in the drafting of this Agreement or any part thereof.

13. **Counterparts; Facsimile Signatures**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be effective upon the execution and delivery by any party hereto of facsimile copies of signature pages hereto duly executed by such party; provided, however. that any party delivering a facsimile signature page covenants and agrees to deliver promptly after the date hereof two (2) original copies to the other party hereto.

14. **Modification By The Court**. In the event that any provision or Section of this Agreement violates any law of the state of California or is for some other reason unenforceable as written in the state of California, the Employee and the Company agree that the unenforceable provision or Section should not cause the entire Agreement to become unenforceable unless it is caused to fail in its essential purpose. In the event that any provision or Section of this Agreement violates any law of the state of California or is for some other reason unenforceable as written in the state of California, the Employee agrees that the provision should be reduced in scope or length or otherwise modified by the Court, if possible under the law, to cause the provision or Section of the Agreement to be legal and enforceable but to still provide to the Company the maximum protection available to it under the law.

Signature(s) on following page

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

LIQUIDMETAL TECHNOLOGIES, INC.

By: /s/ Tony Chung
Tony Chung, CFO

Liquidmetal Technologies
30452 Esperanza
Rancho Santa Margarita, CA 92688

EMPLOYEE:

/s/ Thomas Steipp
Thomas Steipp

Address: 15560 Shannon Heights
Los Gatos, CA 95032

EXHIBIT A

Section 2870 of the California Labor Code provides:

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities or trade secret information except for those inventions that either. (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

LIQUIDMETAL TECHNOLOGIES, INC.
30452 Esperanza
Rancho Santa Margarita, CA 92688

March 10, 2016

_____
_____
_____

Re: Amendment to Change of Control Agreement

Dear Bruce:

This letter agreement ("**Letter Agreement**") relates to that certain Change of Control Agreement, dated February 4, 2016 ("**Change of Control Agreement**"), between you and Liquidmetal Technologies, Inc., a Delaware corporation ("**Company**"). Capitalized terms used but not defined herein shall have the meanings set forth in the Change of Control Agreement. By signing a copy of this Letter Agreement and delivering a copy thereof to the Company, you acknowledge and agree as follows as of the date first set forth above:

1. **Amendments to Change of Control Agreement.** (a) Section 1 of the Change of Control Agreement is hereby amended by deleting such section in its entirety and replacing it with the following:

> "1. Severance Benefits. In the event that: (i) a Change of Control is consummated, (ii) your employment with the Company is thereafter terminated by the Company for any reason other than for Cause or you terminate your employment with the Company for Good Reason, and (iii) such termination occurs on or before the first (1st) anniversary of the date on which the Change of Control is consumed (a "Qualified Termination"), then the Company will pay you a lump sum in cash equal to twelve (12) months of your current annual base salary at the date of such termination (the "Severance Payment"). The Severance Payment shall be paid to you, net any applicable tax or other legally required withholdings, within three (3) business days after the effective date of your termination of employment."

(b) Section 2.2 of the Change of Control Agreement is hereby amended by deleting such section in its entirety and replacing it with the following:

> "2.2 "Change of Control" shall be deemed to take place if hereafter (i) any person, entity, or "group" (as described in Rule 13d-5(b)(1) promulgated under the Securities Exchange Act of 1934, as amended), other than an affiliate or subsidiary of the Company or an employee benefit plan established or maintained by the Company, a subsidiary of the Company, or any of their respective affiliates, acquires more than 50.0% of the combined voting power of the Company's then outstanding securities; or (ii) the consummation of (A) a merger or consolidation of the Company with or into another corporation unless, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction own more than 50.0% of the aggregate voting power of the Company or the successor entity of such transaction, or (B) a sale or disposition of all or substantially all of the Company's assets.

2. **All Provisions Remain In Effect.** Unless expressly modified hereby, all other terms and provisions of the Change of Control Agreement remain in full force and effect and are hereby ratified and reaffirmed by each of the parties hereto. The Change of Control Agreement shall, together with this Letter Agreement, be read and construed as a single agreement. All references to the Change of Control Agreement or any related agreement or instrument shall hereafter refer to the Change of Control Agreement as amended by this Letter Agreement.

3. **Governing Law; Severability.** This Letter Agreement shall be governed by and construed in accordance with the laws of the State of Delaware excluding that body of law pertaining to conflict of laws. If any provision of this Letter Agreement for any reason found to be unenforceable, the remainder of this Letter Agreement shall continue in full force and effect.

4. **Counterparts.** This Letter Agreement may be executed in one or more facsimile (or other electronic transmission) counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same document.

Very truly yours,

LIQUIDMETAL TECHNOLOGIES, INC.

By: _____
Name: _____
Title:

Accepted and agreed as of the date hereof:

[_____]

By: _____

News Release

FOR IMMEDIATE RELEASE

Company Contact:
Otis Buchanan
Media Relations
Liquidmetal Technologies, Inc.
1-949-635-2120
otis.buchanan@liquidmetal.com

Liquidmetal Technologies Raises Up To $63 Million in Partnership with Global Manufacturing Firm EONTEC
-Expands Global Footprint and Product Offering-

Rancho Santa Margarita, Calif. – March 14, 2016 - Liquidmetal® Technologies, Inc. (OTCQB: LQMT) ("LQMT"), the world's leading developer of amorphous alloys, announced today that it closed on a financing transaction of up to $63.4 million (initial closing occurred on March 10, 2016 in the amount of $8.4 million through the sale of equity to a private investor, with a commitment for an additional investment in the amount of $55.0 million subject to an increase in authorized shares to be approved by shareholders) . The investment was made in conjunction with a cross-licensing agreement with DongGuan EONTEC Co., Ltd. ("EONTEC"), a publicly traded company on the Shenzhen Stock Exchange (300328.sz).

EONTEC is a global manufacturing company headquartered in Hong Kong with manufacturing plants in China. It specializes in new material development, such as bulk metallic glasses and medical grade magnesium for implants. The company possesses a full set of mass production capabilities for zirconium based amorphous alloys, including material refining, tooling, and machining, surface treatment, as well as equipment and machine building capabilities for making large parts out of bulk metallic glass.

The equity investment in LQMT was made by Professor Lugee Li, who is also the Chairman and majority stockholder of EONTEC. Professor Li serves as an Analyst for the Institute of Metal Research at the Chinese Academy of Sciences and teaches at several universities in China. As part of the transaction, Professor Li was elected as a Board member of LQMT.

"EONTEC's capabilities complement LQMT's focus on production of high-performance parts, allowing LQMT to address a broad range of market opportunities from automotive, medical, and industrial customers. This partnership positions LQMT well to support design and production globally at a vastly increased pace. ", said Professor Li.

“This investment and partnership recognizes the significant advancements in technological and commercial capabilities that Liquidmetal has forged over the last five years. Our brand and market positions in North America and Europe are without peer”, said Thomas Steipp, President and CEO at LQMT. “This financing transaction and cross-licensing agreement provides us with the platform and resources necessary to establish a global market in Liquidmetal® alloy solutions and to fast-track the market development of our core offerings. With this partnership, we will extend our capabilities to significantly larger parts, as well as offering substantially lower price points for some consumer markets. EONTEC and Liquidmetal each bring significant capabilities to this partnership, and we believe that result will be a much larger market that develops much more quickly.” continued Mr. Steipp.

For more information, please refer to our Form 8-K describing the transaction filed with the Securities and Exchange Commission on March 14, 2016.

About Liquidmetal Technologies

Liquidmetal Technologies, Inc. is the leading developer of amorphous alloys that utilize the performance advantages offered by amorphous alloy technology. Amorphous alloys are unique materials that are distinguished by their ability to retain a random structure when they solidify, in contrast to the crystalline atomic structure that forms in ordinary metals and alloys. Liquidmetal Technologies is the first company to produce amorphous alloys in commercially viable bulk form, enabling significant improvements in products across a wide array of industries. For more information, go to www.liquidmetal.com.

Forward-Looking Statement

This press release contains "forward-looking statements," including but not limited to statements regarding the advantages of Liquidmetal's amorphous alloy technology, scheduled manufacturing of customer parts and other statements associated with Liquidmetal's technology and operations. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from Liquidmetal's expectations and projections. Risks and uncertainties include, among other things; customer adoption of Liquidmetal's technologies and successful integration of those technologies into customer products; potential difficulties or delays in manufacturing products incorporating Liquidmetal's technologies; Liquidmetal's ability to fund its current and anticipated operations; the ability of third party suppliers and manufacturers to meet customer product requirements; general industry conditions; general economic conditions; and governmental laws and regulations affecting Liquidmetal's operations. Additional information concerning these and other risk factors can be found in Liquidmetal's public periodic filings with the U.S. Securities and Exchange Commission, including the discussion under the heading "Risk Factors" in Liquidmetal's 2015 Annual Report on Form 10-K.