

**Form 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

Holly Street Capital Ltd. (“**Company**” or “**Holly**”)
c/o Suite 1500 – 1055 West Georgia Street
Vancouver, BC
V6E 4N7

Item 2. Date of Material Change

October 22, 2021

Item 3. News Release

The news release announcing the material change was disseminated via Newswire services on November 1, 2021. The news release was also subsequently filed on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

The Company announced that it entered into a binding letter of intent dated October 22, 2021 with US Critical Metals Corp. in respect of a proposed business combination transaction. It is anticipated that the proposed business combination will constitute the Company’s “Qualifying Transaction” in accordance with Policy 2.4 – *Capital Pool Companies* of the TSX Venture Exchange.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company, a capital pool company listed on the TSX Venture Exchange (the “**TSXV**”), announced that it has entered into a binding letter of intent dated October 22, 2021 (the “**Letter of Intent**”) with US Critical Metals Corp. (“**USCM**”) in respect of a proposed business combination transaction pursuant to which Holly will acquire all of the issued and outstanding securities of USCM (the “**Proposed Transaction**”). It is anticipated that the Proposed Transaction will constitute the qualifying transaction of Holly in accordance with Policy 2.4 - Capital Pool Companies of the Corporate Finance Manual of the TSXV. The Company following the completion of the Proposed Transaction is referred to as the “**Resulting Issuer**”. All currency references used in this material change report are in Canadian currency unless otherwise noted.

About US Critical Metals Corp.

USCM is a private company incorporated under the laws of British Columbia, and (i) at the time of closing of the Proposed Transaction will have 27,500,000 common shares (the “**USCM Shares**”) issued and outstanding; and (ii) has 25,000,000 warrants to acquire up to 25,000,000 USCM Shares at an exercise price of \$0.10 per share. USCM’s head office is based in British Columbia.

USCM is and had been since incorporation focused on mining projects that will further secure the US supply of critical metals, which are essential to fueling the new age economy. Pursuant to option agreements with private Canadian and American companies, USCM's assets consist of two option agreements, each providing USCM with the right to acquire a 100% interest in two mineral exploration projects. Such exploration projects include the Haynes Cobalt Property, consisting of 23

lode claims, located in Idaho, and the Nevada Lithium Property, consisting of 90 unpatented mining claims, located in Nevada.

Summary of the proposed transaction

The Letter of Intent contemplates that Holly and USCM will negotiate and enter into a definitive agreement in respect of the Proposed Transaction on or before February 15, 2022 (the “**Definitive Agreement**”), pursuant to which it is anticipated that Holly will acquire all of the issued and outstanding USCM shares, and shareholders of USCM will receive Post-Consolidation Holly Shares (as defined below) in exchange for their USCM Shares. The Proposed Transaction will be structured as a three-cornered amalgamation, plan of arrangement or other structure based on the advice of the parties' respective advisers and taking into account various securities, tax, operating and other considerations.

Prior to the closing of the Proposed Transaction, Holly will consolidate (the “**Consolidation**”) its outstanding Holly common shares on the basis of one new Holly common share for each 1.5 old Holly shares, such that, prior to closing of the Proposed Transaction, Holly will have approximately 5,006,666 post-consolidation common shares in its authorized capital issued and outstanding (“**Post-Consolidation Holly Shares**”). It is intended that at closing of the Proposed Transaction, Post-Consolidation Holly Shares will be issued to holders of USCM Shares on the basis of one Post-Consolidation Holly Share for every one USCM Share, resulting in the issuance of an aggregate 27.5 million Post-Consolidation Holly Shares to the shareholders or USCM. It is also anticipated that at closing of the Proposed Transaction, all current common share purchase warrants of USCM, being 25 million USCM warrants will also be exchanged for common share purchase warrants of the Resulting Issuer in accordance with the terms of such warrants.

It is anticipated that the Resulting Issuer will continue the business of USCM under a name to be determined by USCM (the “**Name Change**”). The business of the Resulting Issuer will be primarily focused on the exploration of the Idaho Property, Nevada Property, and acquisition of additional properties.

Certain Post-Consolidation Holly Shares to be issued pursuant to the Proposed Transaction are expected to be subject to restrictions on resale or escrow under the policies of the TSXV, including the securities to be issued to principals (as defined under the TSXV policies), which will be subject to the escrow requirements of the TSXV.

The completion of the Proposed Transaction is subject to a number of terms and conditions, including and without limitation to the following: negotiation and execution of the Definitive Agreement; there being no material adverse changes in respect of either Holly or USCM; the parties obtaining all necessary consents, orders, regulatory and shareholder approvals, including the conditional approval of the TSXV; completion of the Consolidation, Name Change and any other required corporate changes requested by USCM, acting reasonably; completion of the Concurrent Financing (as defined below); completion of a NI 43-101 compliant technical report for the Idaho Property and the Nevada Property; completion of a thorough business, legal and financial review by each party of the other party; and other standard conditions of closing for a transaction in the nature of the Proposed Transaction.

There can be no assurance that all of the necessary regulatory and shareholder approvals will be obtained or that all conditions of closing will be met.

Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSXV, with USCM as its primary operating subsidiary.

Concurrent Financing

In connection with the proposed transaction, the parties will complete a concurrent financing (the “**Concurrent Financing**”) of securities of Holly or USCM for gross proceeds of at least \$2 million, to be priced in the context of the market at a mutually agreeable price per security. The price per security will not be below the Discounted Market Price (as such term is defined in the policies of the

TSXV). The Concurrent Financing shall be structured as either a common share offering, a subscription receipt offering, or such other security offering as determined by USCM and Holly based on discussions with investors. Other than in connection with the Concurrent Financing, neither party will issue any shares or rights exchangeable or exercisable into shares of such party prior to closing of the Proposed Transaction.

The proceeds of the Concurrent Financing will be used to finance (i) expenses of the Proposed Transaction and the Concurrent Financing, (ii) the cash payments for the acquisition of the Idaho Property and the Nevada Property, (iii), exploration and other expenses relating to the Idaho Property and the Nevada Property, and (iv) the working capital requirements of the Resulting Issuer.

Summary of proposed directors and officers of the Resulting Issuer

In conjunction with and upon closing of the Proposed Transaction, the board of directors of the Resulting Issuer is expected to consist of five directors, all of whom will be nominated by USCM. The existing directors and officers of Holly will resign at or prior to the closing of the Proposed Transaction.

Other information relating to the proposed transaction

The Proposed Transaction will not constitute a non-arm's-length qualifying transaction (as such term is defined in the policies of the TSXV) for Holly. Accordingly, the Proposed Transaction will not require the approval of the shareholders of Holly.

In accordance with the policies of the TSXV, the Holly shares are currently halted from trading and will remain so until such time as the TSXV determines, which, depending on the policies of the TSXV, may not occur until completion of the Proposed Transaction.

5.2 Disclosure for Restructuring Transactions

Not applicable

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable

Item 7. Omitted Information

None

Item 8. Executive Officers

Joel Freudman
Chief Executive Officer
Holly Street Capital Ltd.
Tel. 647.880.6414

Item 9. Date of Report

November 1, 2021