

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

January 7, 2022

Item 3. News Release

The news release announcing the material change was disseminated via Newswire services on January 10, 2022. 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 securities exchange agreement with US Critical Metals Corp. (“**USCM**”) and the securityholders of USCM dated January 7, 2022, in respect of a business combination transaction pursuant to which Holly will acquire all of the issued and outstanding securities of USCM. It is anticipated that the business combination transaction will constitute the qualifying transaction of Holly in accordance with Policy 2.4 - *Capital Pool Companies* of the Corporate Finance Manual of the TSX Venture Exchange.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that, further to its news release dated November 1, 2021, the Company entered into a securities exchange agreement with USCM and the securityholders of USCM (the “**USCM Securityholders**”) dated January 7, 2022 (the “**Definitive Agreement**”). The Definitive Agreement is in respect of a 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 TSX Venture Exchange (the “**TSXV**”). The Company following the completion of the Proposed Transaction is referred to as the “**Resulting Issuer**”.

The Definitive Agreement

The Proposed Transaction will be effected by way of securities exchange among the Company, USCM and the USCM Securityholders. Pursuant to the Definitive Agreement, holders of issued and outstanding common shares of USCM will receive one Post-

Consolidation Holly Share (as defined below) for each USCM common share (“**USCM Shares**”) held (the “**Exchange Ratio**”). Pursuant to the Definitive Agreement, all existing securities convertible into USCM Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase common shares of the Resulting Issuer (“**Resulting Issuer Shares**”) on substantially similar terms and conditions.

On or immediately prior to the closing of the Proposed Transaction, Holly will complete a consolidation (the “**Consolidation**”) of its issued and outstanding common shares (the pre-Consolidation common shares in the authorized structure of Holly being referred to as, the “**Holly Shares**”) on the basis of one new common share in the authorized structure of Holly (the “**Post-Consolidation Holly Shares**”) 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 Holly Shares issued and outstanding.

It is anticipated that the Resulting Issuer will continue the business of USCM under the name “US Critical Metals Corp.” (the “**Name Change**”).

In conjunction with closing of the Proposed Transaction, the Company will also pay a finder’s fee of 1,467,857 Resulting Issuer Shares to an arm’s length finder, subject to TSXV approval.

Certain Resulting Issuer 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 of USCM (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 without limitation the following: 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; completion of a concurrent financing; completion of NI 43-101 compliant technical reports on each of USCM’s material properties; 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.

Other information relating to the Proposed Transaction

In connection with the Proposed Transaction and pursuant to the requirements of the TSXV, Holly will file a filing statement on its issuer profile on SEDAR (www.sedar.com), which will contain details regarding the Proposed Transaction, Holly, USCM and the Resulting Issuer.

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.

The Proposed Transaction may require the approval of the shareholders of USCM. If required, USCM will hold a meeting of shareholders to seek all necessary approvals, the details of which will be disclosed to USCM Securityholders once available.

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.

Additional information concerning the Proposed Transaction, Holly, USCM and the Resulting Issuer will be provided in a subsequent news release and in the filing statement to be filed by Holly in connection with the Proposed Transaction in due course.

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

January 10, 2022