

## HOLLY STREET ANNOUNCES FURTHER INFORMATION RELATING TO QUALIFYING TRANSACTION WITH US CRITICAL METALS CORP.

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**Vancouver, BC, February 25, 2022** - Holly Street Capital Ltd. (TSXV: HSC.P) (“**Holly**” or the “**Company**”) previously announced that the Company has entered into a securities exchange agreement with US Critical Metals Corp. (“**USCM**”) and the securityholders of USCM (the “**USCM Securityholders**”) dated January 10, 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**”. All currency references herein are in Canadian currency unless otherwise noted.

### Summary of Proposed Transaction

The Proposed Transaction will be effected by way of a securities exchange among the Company, USCM and the USCM Securityholders. Pursuant to the Definitive Agreement, holders of the 28,000,100 issued and outstanding common shares of USCM (“**USCM Shares**”) at closing will receive one Post-Consolidation Holly Share (as defined below) for each USCM Share held (the “**Exchange Ratio**”). Pursuant to the Definitive Agreement, all existing securities convertible into USCM Shares, including 25,000,000 warrants to acquire USCM Shares at an exercise price of \$0.10 per share, shall be exchanged, based on the Exchange Ratio, for similar securities to purchase Post-Consolidation Holly 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, not including those Post-Consolidation Holly Shares issued pursuant to the Concurrent Financing (as defined below) or the Agreement Finder’s Fee (as defined below).

It is anticipated that the Resulting Issuer will continue the business of USCM under the name “US Critical Metals Corp.” (the “**Name Change**”). The business of the Resulting Issuer will be primarily focused on the exploration of the Idaho Property (as defined below), the Nevada Property (as defined below), and acquisition of additional properties.

In conjunction with closing of the Proposed Transaction, the Company will also pay a finder’s fee of 1,467,857 Post-Consolidation Holly Shares to Dragon Alternative Fund Inc., an arm’s length finder, (the “**Agreement Finder’s Fee**”) subject to TSXV approval.

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 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, acting reasonably; completion of the Concurrent Financing; completion of NI 43-101 compliant technical reports for the Idaho Property and the Nevada Property; and other standard conditions of closing for a transaction in the nature of the Proposed Transaction.

Upon completion of the Proposed Transaction, it is estimated that Holly will have issued at least 14,285,714 Post-Consolidation Units (as defined below) consisting of 14,285,714 Post-Consolidation Holly Shares and 14,285,714 Post-Consolidation Holly Warrants (as defined below) pursuant to the Concurrent Financing. As such, upon the completion of the Proposed Transaction, it is estimated that former holders of USCM Shares will hold approximately 57.4% of the issued and outstanding shares of the Resulting Issuer ("**Resulting Issuer Shares**"), former holders of Holly Shares will hold approximately 10.3% of the Resulting Issuer Shares, and the Post-Consolidation Holly Shares issued pursuant to the Concurrent Financing will represent approximately 29.3% of the Resulting Issuer Shares, in each case on a non-diluted basis. Former holder of USCM Shares and Holly Shares may also hold Post-Consolidation Holly Shares issued pursuant to the Concurrent Financing. Such overlapping ownership is not accounted for in the estimated capitalization numbers presented above.

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.

### **About US Critical Metals Corp.**

USCM is a private mining company incorporated under the laws of British Columbia and with its head office in British Columbia.

USCM is and has 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 the respective mineral exploration project. Such exploration projects include the Haynes Cobalt Project, consisting of 23 lode claims, located in Idaho (the "**Idaho Property**"), and the Clayton Ridge Lithium Project, consisting of 90 unpatented mining claims, located in Nevada (the "**Nevada Property**").

A significant percentage of the world's critical metal supply comes from sources that are not aligned with US interests and demands. USCM intends to explore and develop critical metal assets with near and long-term strategic value to the advancement of US interests and that

contribute to the US maintaining its leading global position in the green energy economy and emerging technology.

The global shift in energy supply and demand can be sustainably advanced by ensuring US domestic resources are explored and developed responsibly and efficiently. USCM is committed to responsible resource development and adhering to environmental, social and governance practices and procedures.

### **The Idaho Property**

The Idaho Property is located in the Idaho Cobalt Belt (“**ICB**”), an approximately 55 km long district characterized by copper and cobalt deposits, which was first subject to exploration in 1899 by Blackbird Copper-Gold Mining Co. The Idaho Property sits approximately 32 km southwest of Salmon, Idaho and 1.93 km east of the historical Blackbird Mine. Jervois Global Ltd.’s Idaho Cobalt Operation (“**Jervois**”) is also located adjacent to the Idaho Property. Jervois is host to the Ram Deposit, approximately 5 km northwest of the Idaho Property. The Blackbird Mining District is known as the most mineralized section of the ICB where the classification of copper and cobalt deposit types have been varied throughout time. The Idaho Property benefits from being close to infrastructure and is accessible by forestry roads and is less than 1 km from power lines. The ICB region is once again seeing significant exploration and development in the Blackbird Mining District.

The Idaho Property covers a portion of the historically developed Haynes Stellite Deposit within the historical Blackbird Mining District, where a total of 10 adits and 3 trenches were located and sampled by Haynes Stellite Co., between 1917 and 1920. The majority of the adits are located at the northwestern end of the Idaho Property, neighboring with Jervois, with the other 4 adits located along the northwest–southeast mineralized trend. The Idaho Property also contains a portion of the associated historical underground workings from historical development.

Exploration by Noranda Exploration Inc. (“**Noranda**”) from 1979 to 1981 further developed the Idaho Property near the historical adits, with promising results from surface and underground drilling. Noranda drilled a total of 3 holes totaling 885.44 metres, all of which were collared just north of the current property boundary and intersected the tourmalinized breccia. Results from one of the drillholes (HS-80-2A) with a strike and dip of 205° and -45°, respectively, returned 0.53% cobalt over 1.77 metres (true mineralization thickness) in one of the northwest-southwest trending breccias.

Additional reconnaissance work by Noranda in 1980 defined a trend of tourmaline-bearing breccia just north of the Idaho Property. Tourmaline-bearing breccia is related to cobalt mineralization in the historical workings and elsewhere in the ICB.

Mineralization at the Idaho Property is hosted within tourmaline-bearing breccia bodies that contain abundant cobaltite and xenotime overlying the historic Gunsight Formation comprised of quartzite beds with thin interbeds of black biotite phyllite in the area of the Idaho Property.

In 2021, USCM completed a ground magnetic survey and soil and rock sampling programs including 76 grab/rock samples. The rock samples were collected from metasediments, tourmaline breccias, quartz veins, biotite schist and a felsic tuff located in historical workings

and outcrops concentrated in the northwestern portion of the Idaho Property, near the historic Haynes Stellite Mine, confirming a strike length of 1.5 km southeast of the historic Haynes Stellite Mine. The samples were described, photographed, bagged and shipped to Activation Laboratories Ltd. in Ancaster, Ontario, a laboratory independent from Holly and USCM. Results from the rock sample analyses confirmed widespread cobalt, gold and other rare earth element mineralization in the tourmaline breccias on the Idaho Property. One particular grab sample of the tourmaline breccia (HS21SD-010) showed 1.18% cobalt and 0.908 grams per tonne gold.

The soil sampling consisted of a property-wide contour-style program. Lines were spaced approximately 150 metres apart and samples were spaced 100 metres apart along those lines. The samples were collected from the B horizon, bagged, labelled and shipped for analysis by Activation Laboratories Ltd. Results from the soil sample program returned elevated values of cobalt, copper and gold that confirm the northwest-southeast trend of mineralization and show an offset in the southern half of the Idaho Property.

The ground magnetic survey was 16.5 line-km with 100 metre line spacing and covered the entire property. Results from the survey highlighted two structures running northeast-southwest in the southern half of the Idaho Property. These structures are coincident with the offset in values for cobalt, copper and gold noted in the soil samples.

The Company and USCM have completed a National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) compliant technical report in respect of the Idaho Property with the effective date of January 25, 2022.

The scientific and technical information contained in this news release about the Idaho Property has been reviewed and approved by Brian T. Brewer, CPG M.Sc., of Brewer Exploration and Geological Services Inc., who is a “Qualified Person” as defined in NI 43-101 (the “**Idaho Author**”).

The Idaho Author was able to confirm the geology and other technical aspects of the Idaho Property as described above pursuant to a field visit to the Idaho Property on October 13, 2021, during which the Idaho Author collected three rock samples from the historic Haynes Stellite Mine located on the Idaho Property. All samples collected by the Idaho Author were sent to Paragon Geochemical Laboratory in Sparks, Nevada, an ISO/IEC 17025:2017 accredited laboratory, independent from Holly and USCM. The samples collected were described in detail, photographed and their locations were marked in the field for future reference. The most promising sample was collected from an approximately 30 cm wide near-vertical, biotite-rich structure striking 140° with significant erythrite mineralization, which confirmed the presence of significant cobalt, copper and gold mineralization on the Idaho Property. The Idaho Author’s samples were not analyzed for rare earth elements.

In conjunction with the on-site field review of the Idaho Property, the Idaho Author conducted a thorough review of all technical data generated by Dahrouge Geological Consulting Ltd. during their exploration activities and found no reason to question the validity of their results.

### *Terms of the option agreement for Idaho Property*

Pursuant to the terms of the option agreement, USCM may acquire a 100% interest in the Idaho Property by paying a total of \$100,000 and issuing an aggregate of 2,500,000 USCM Shares to the vendor as follows:

- Issuance of 2,500,000 USCM Shares to the underlying vendor upon closing of a go public transaction resulting in the USCM Shares being listed on a recognized stock exchange in Canada. These USCM Shares will be subject to the same escrow conditions as principals of the Resulting Issuer or as otherwise determined by the TSXV;
- Payment of \$50,000 in cash to the underlying vendor upon the listing of the USCM Shares on a recognized stock exchange in Canada; and
- USCM will make a \$50,000 cash payment to the underlying vendor on the one-year anniversary of listing of the USCM Shares on a recognized stock exchange in Canada.

In addition to the foregoing, USCM will keep the Idaho Property in good standing during the option period, fund the cost of an upcoming exploration program of approximately (not less than) \$100,000; and fund the cost of a third party authored NI 43-101 technical report.

The underlying vendor will also maintain a 3% net smelter return royalty (“**NSR**”) on production, subject to a buy-back provision whereby USCM can repurchase 1.5% of the NSR from the underlying vendor in exchange for \$1,500,000.

### **The Nevada Property**

The Nevada Property is a lithium claystone deposit located in Esmeralda County, Nevada on the east flank of the Clayton Valley. The project is located just 18 km west of Goldfield, Nevada and roughly 17 km southeast of Silver Peak, Nevada, lying within a topographic swale between the Montezuma Range and Clayton Ridge. The project is comprised of 90 unpatented lode mining claims, covering 1,760 acres, with easy driving access to all claims.

Clayton Valley is one of a group of intermediate size valleys in southern Nevada with a playa floor of about 100 km<sup>2</sup>, which receives surface drainage from a surrounding area of about 1300 km<sup>2</sup>. Roughly 6 million years ago, about 100 km<sup>3</sup> of lava erupted from the Silver Peak volcanic center in the western part of Clayton Valley. East of Clayton Valley, more than 100 km<sup>3</sup> of tertiary ash-flow and air-fall tuff is exposed at Clayton Ridge and as far east as Montezuma Peak. The Nevada Property itself hosts deposits of lacustrine sediments consisting of clay, ash and silicic volcanic rocks as well as opaline chalcedony and silicified sediments suggesting low-temperature hydrothermal events possibly related to hot spring activity. This is consistent with historic reports of paleo-hot springs along the flanks of the Montezuma Mountains. Since lithium is expected to be contained in the clay structure, it is possible that surface waters may be able to leach or enrich lithium in near-surface environments.

Lithium has been identified in potentially economic concentrations in brine deposits on the Nevada Property. Brines are the largest producer of lithium worldwide with the only active lithium producer in the US located in the Clayton Valley.

Historical rock grab samples on the Nevada Property were taken in July 2021, which revealed strongly anomalous lithium values across the entire section. A total of 64 samples were taken at this time, of which averaged 517 parts per million of lithium and peaked at 950 parts per million (sample CRC4, located E460959, N4169416). All samples were tested by American Assay Laboratories in Sparks, Nevada, a laboratory independent from Holly and USCM. Lithium concentrations appear to be highest in finely laminated claystone beds and, owing to the homogenous nature of these beds, it is likely that the samples are representative of the site as a whole.

The Nevada Property is one of several lithium projects in Clayton Valley. In addition to the only operating lithium producer in the US (Albemarle), the Clayton Valley and immediate surroundings host several lithium projects ranging from early- to late-stage exploration (including, but not limited to, Noram Lithium, Pure Energy, American Lithium, Ioneer Ltd., Cypress Development and Spearmint Resources).

Upon the successful completion of the exploration program and the creation and approval of a plan of operations, USCM will look to commence its maiden drill program.

The Company and USCM have completed a National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) compliant technical report in respect of the Nevada Property with the effective date of December 28, 2021.

The scientific and technical information contained in this news release about the Nevada Property has been reviewed and approved by Robert J. Johansing, B.Sc. Geology, M.Sc. Economic Geology, who is a “Qualified Person” as defined in NI 43-101 (the “**Nevada Author**”).

To verify and confirm the above information, the Nevada Author visited the Nevada Property on December 2, 2021. A traverse was conducted on the Nevada Property across the extensive exposures of lithium-bearing sediments and several sites where determined to be adequate for sampling. Sampling occurred in shallow (<20 cm) hand-dug trenches approximately 0.5 to 1 metre in length. Owing to the fissile nature of the sediments, the material was easily excavated with a rock pick and bagged on site. Sample weights ranged from 0.54 to 1.47 kg. a total of 9 rock samples were collected by the Nevada Author from outcrops and sub-crops along an east-west drainage along the lithium-bearing horizons and were sent to American Assay Laboratories in Reno, Nevada, a laboratory independent from Holly and USCM.

The samples collected were analyzed using the ICP-5AM48 which showed high lithium variabilities in the rocks, which reflect both the influence of the depositional environment and the effect of the surficial leaching by surface agents. Sampling of the outcrops and sub-crops revealed that lithium values are generally in excess of 200 parts per million. The most weathered sample collected during the December 2, 2021 site visit (CR-14, located N4169390, E461313) contained 82.4 parts per million lithium and was a strongly bleached claystone. The highest values appeared to be associated with olive-green claystone. The most promising sample (CR-13, located N4169470, E461203) contained 720.1 parts per million lithium and was a grey-olive-green claystone. The results of the site visit compared reasonably well to historical samples conducted on the Nevada Property and adequately confirm the presence of strongly anomalous lithium contents in the sedimentary claystone of the Nevada Property.

### *Terms of the option agreement for Nevada Property*

Pursuant to the terms of the option agreement, USCM may acquire a 100% interest in the Nevada Property by paying a total of US\$225,000 and issuing 2,500,000 USCM Shares to the vendor as follows:

- payment of US\$25,000 in cash upon signing the option agreement (the “**Signing Date**”);
- payment of US\$75,000 in cash and issuance of 500,000 USCM Shares on the first anniversary of the Signing Date;
- payment of US\$75,000 in cash and issuance of 500,000 USCM Shares on the second anniversary of the Signing Date;
- payment of US\$50,000 in cash and issuance of 500,000 USCM Shares upon listing of USCM on a recognized stock exchange in Canada; and
- issuance of a 1,000,000 USCM Shares upon completion of a NI 43-101 compliant Technical Report which confirms the presence on the Nevada Property of 2,000,000 tons of lithium carbonate equivalent.

The underlying vendor will also maintain a 3% gross overriding return (“**GOR**”) on production, subject to a buy-back provision whereby USCM can purchase back 1% of the GOR from the underlying vendor in exchange for US\$1,000,000.

USCM has also reimbursed \$24,492 of expenses relating to (a) the federal annual mining claim maintenance fees for the annual assessment year ending September 1, 2021; and (b) the mining claim processing fees, location fees, and federal annual mining claim maintenance fees and the county recording fees for the unpatented mining claims.

### **Proposed Concurrent Financing**

In connection with the Proposed Transaction, the parties expect to complete a concurrent financing of post-Consolidation units of Holly at a price of \$0.35 per unit (the “**Post-Consolidation Units**”) for gross proceeds of at least \$5,000,000 (the “**Concurrent Financing**”). The Concurrent Financing is subject to TSXV approval.

Each Post-Consolidation Unit shall consist of one Post-Consolidation Holly Share and one common share purchase warrant for Holly Shares following the completion of the Consolidation (a “**Post-Consolidation Holly Warrant**”). Each Post-Consolidation Holly Warrant shall entitle the holder thereof purchase one Resulting Issuer common share (a “**Resulting Issuer Share**”) at an exercise price of \$0.50 per share for a period of 24 months following the date the Resulting Issuer Shares are listed on the TSXV (the “**Warrant Expiry Date**”), in accordance with its terms, and subject to an acceleration clause, which permits the Resulting Issuer, at its option, to accelerate the Warrant Expiry Date if, prior to the Warrant Expiry Date, the volume weighted average closing price for the Resulting Issuer Shares on the TSXV (or such other recognized stock exchange in Canada on which the Resulting Issuer Shares are then listed) is equal to or greater than \$1.00 for a period of 10 consecutive trading days.

The Concurrent Financing will be completed on a non-brokered basis. A finders fee will be paid to certain arm’s registered dealers and other permitted individuals in relation to the Concurrent Financing consisting of: (i) a cash payment in an amount equal to 7% of the

gross proceeds of the Concurrent Financing directly sourced by such finders; and (ii) an amount of Post-Consolidation Holly Warrants equal to 7% of the Post-Consolidation Units sold pursuant to the Concurrent Financing directly sourced by such finders. The finders will consist of registered arm's length dealers or other permitted individuals under Canadian securities laws.

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 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.

### **Financial Information**

The following table sets out selected audited financial information with respect to USCM for the period from formation to October 31, 2021. USCM's financial statements are prepared in accordance with International Financial Reporting Standards, issued by the International Accounting Standards Board, and are denominated in Canadian dollars. USCM and its auditors are currently in the process of preparing updated audited financial statements for the period from formation to January 31, 2022, at which time such revised audited financial information will be disclosed.

	As at October 31, 2021 <u>(audited)</u>
Assets	\$ 48,182
Liabilities	\$ 51,437
Share Capital	\$ 159,225
Net profit (loss)	\$ (229,429)

### **Summary of proposed directors and officers of the Resulting Issuer**

Subject to TSXV approval and upon closing of the Proposed Transaction, the board of directors of the Resulting Issuer is expected to consist of four (4) 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. It is expected that at closing of the Proposed Transaction, the following USCM board members and officers will be appointed to the board of the Resulting Issuer:

*Darren Collins, Chief Executive Officer & Director (Ontario, Canada)*

Mr. Darren Collins has over 15 years of corporate experience as an executive, board director and advisor of private and public companies across multiple industries. His expertise spans mergers and acquisitions, debt and equity financings, go-public transactions, commercial partnerships, accounting, and corporate governance. In recent engagements, he has led



and supported fundraisings totaling over \$250 million in equity capital and launched active M&A programs for early stage companies. He has also been an executive and advisor to companies that have collectively created billions of dollars in market value. Prior to his current corporate activities, Darren worked for several investment and merchant banks, including Allegro Capital, LP in London, UK, Scotia Capital Inc. and Quest Capital Corp. (now known as Sprott Resource Lending Corp.) in Toronto, Canada. Mr. Collins holds a Bachelor of Commerce degree in finance from Dalhousie University.

*Marco Montecinos, Vice President, Exploration & Director (Nevada, USA)*

Mr. Marco Montecinos is a seasoned geologist with over 35 years of experience in exploration projects and business development in the Americas for both public and private companies. Mr. Montecinos recently worked in a consulting capacity for exploration strategy and project development initiatives with several junior exploration companies in the western US. Prior to that, he was Vice President of Exploration at Caza Gold Corp., worked as a Senior Consultant to Intrepid Mines Ltd. in the Americas and Australia and was Vice President of Exploration for Montana Gold. Mr. Montecinos has also worked with a number of intermediate and senior producers including Francisco Gold, Phelps Dodge, Placer Dome, Billiton, Alta Gold and Nerco Minerals. Marco was instrumental in the discovery of the Marlin Deposit in Guatemala and numerous gold deposits in Nevada, Mexico, and Central America. Mr. Montecinos earned his Bachelor of Arts in Mathematics and Physics with Geology Emphasis at the Western State College, Colorado, and completed a professional course in Hydrothermal Alteration for Mineral Exploration at the University of Idaho. He is Member of the Geologic Society of Nevada, and resides in Reno, Nevada.

*Keith Li, Chief Financial Officer and Corporate Secretary (Ontario, Canada)*

Mr. Keith Li is a finance professional with over 10 years of corporate accounting and audit experience. He specializes in providing management advisory services, accounting and regulatory compliance services to companies in a number of industries. Mr. Li began his career in the public accounting sector as an auditor and had also held senior level positions for several publicly held and private companies. Mr. Li is a Chartered Professional Accountant and holds a Bachelor of Commerce degree from McGill University.

*Peter Simeon, Director (Ontario, Canada)*

Mr. Peter Simeon has over 20 years of experience as a lawyer focused on securities, corporate finance, and mergers and acquisitions. Since February 2015 he has been a partner at Gowling WLG (Canada) LLP and has extensive experience in corporate commercial and securities law. Prior to 2015, he was a partner at a boutique corporate law firm in Toronto. Mr. Simeon has a Bachelor of Arts from Queen's University and a law degree from Osgoode Hall Law School at York University. Mr. Simeon acts as an independent director on several publicly traded companies in Canada.

*Scott Benson, Director (British Columbia, Canada)*

Mr. Scott Benson is an entrepreneur with over 15 years of experience founding, financing and developing resources and technology companies. He is currently the Managing Director and controlling shareholder of Recharge Capital Corp., a battery and EV materials focused investment firm, which will also be a corporate insider of the Resulting Issuer. His expertise

includes the identification of investment opportunities, investor relations and marketing, and corporate finance. Mr. Benson received a Bachelor of Economics from the University of Victoria.

### **Summary of insiders of the Resulting Issuer other than directors and officers**

*Johnathan Dewdney, Insider (British Columbia, Canada)*

Mr. Johnathan Dewdney is a shareholder of USCM and is expected to hold over 10% of the issued and outstanding shares of the Resulting Issuer upon the completion of the Proposed Transaction.

### **Sponsorship of a qualifying transaction**

Sponsorship of the Proposed Transaction is required by the TSXV unless exempt in accordance with TSXV policies. Holly has applied for an exemption from the sponsorship requirements pursuant to the policies of the TSXV, however, there is no assurance that an exemption is available or that Holly will ultimately obtain an exemption if one is available. Holly intends to include any additional information regarding sponsorship in a subsequent press release, if required.

### **Filing Statement**

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](http://www.sedar.com)), which will contain details regarding the Proposed Transaction, Holly, USCM and the Resulting Issuer.

### **Trading Halt**

The Holly Shares are currently halted from trading, and the trading of the Holly Shares is expected to remain halted pending completion 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.

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 once available.

In connection with the Proposed Transaction, McMillan LLP is acting as legal counsel to Holly and Gowling WLG (Canada) LLP is acting as legal counsel to USCM.

Additional information concerning the Proposed Transaction, Holly, USCM and the Resulting Issuer will be provided once determined in a subsequent news release and in the filing statement to be filed by Holly in connection with the Proposed Transaction, which will be available in due course under Holly's SEDAR profile.

## **About Holly Street Capital Ltd.**

Holly is designated as a capital pool company under TSXV Policy 2.4. Holly has not commenced commercial operations and has no assets other than cash. Holly's objective is to identify and evaluate businesses or assets with a view to completing a qualifying transaction. Any proposed qualifying transaction must be approved by the TSXV and, in the case of a non-arm's-length qualifying transaction, must also receive majority approval of the minority shareholders. Until the completion of a qualifying transaction, Holly will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a proposed qualifying transaction.

As of the date hereof, Holly has 7,510,000 common shares issued and outstanding (2,000,000 of which are subject to escrow restrictions), and an aggregate of 450,000 common shares are reserved for issuance upon the exercise of outstanding stock options.

Holly is a portfolio company of Resurgent Capital Corp. ("**Resurgent**"), a merchant bank providing venture capital markets advisory services and proprietary financing. Resurgent works with promising public and pre-public micro-capitalization companies listing on Canadian stock exchanges. For more information on Resurgent and its portfolio companies, please visit Resurgent's website at <https://www.resurgentcapital.ca> or follow Resurgent on LinkedIn at <https://ca.linkedin.com/company/resurgent-capital-corp>.

For further information regarding Holly and the Proposed Transaction, please contact Joel Freudman, Chief Executive Officer of Holly, at (647) 880-6414.

For further information regarding USCM and the Proposed Transaction, please contact Darren Collins, Chief Executive Officer of USCM, at (786) 633-1756.

***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

*Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV Requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.*

*All information contained in this news release with respect to Holly and USCM was supplied by the parties, respectively, for inclusion herein, and Holly and its respective directors and officers have relied on USCM for any information concerning such party.*

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

### **Forward-Looking Information**

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain acts, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information in this press release may include, without limitation, statements relating to: the completion of the Proposed Transaction, the proposed business of the Resulting Issuer, the completion of the Concurrent Financing, degree to which historical drill results are reflective of actual mineral resources, USCM or the Resulting Issuer completing mapping and sampling at the Idaho Property and completing a geological survey, satisfying terms of the option agreements and acquiring a 100% interest in each of the Idaho Property and the Nevada Property, the exploration plans and strategy of the Resulting Issuer, the proposed directors and officers of the Resulting Issuer, the completion of the Consolidation, the completion of the Name Change, the completion of the Concurrent Financing, the estimated capitalization of the Resulting Issuer, TSXV sponsorship requirements and application for exemption therefrom, shareholder and regulatory approvals, the filing of a filing statement on SEDAR, the resumption of trading of Resulting Issuer Shares and future press releases and disclosure.

These statements are based upon assumptions that are subject to significant risks and uncertainties, including transaction and financing risks, mineral exploration risks, and volatility in financial markets and economic conditions and commodities prices. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance of each of Holly and USCM may differ materially from those anticipated and indicated by these forward-looking statements. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although each of Holly and USCM believes that the expectations reflected in forward looking statements are reasonable, they can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, each of Holly and USCM disclaims any intention and assume no obligation to update or revise any forward-looking statements to reflect actual results.